



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

FY 2020-21

House Ways and Means Subcommittee  
Budget Hearing



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

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## Index

1. Agency Attendees
2. Agency Information
3. Organizational Chart
4. Accountability Report - Highlights and Goals
5. Budget Request Summary
6. Spending Plan for Non-Recurring Budget Request -  
Emergency Response Task Force
7. Official Budget Request
8. Proviso Request Summary
9. FTE Breakdown
10. Carry Forward
11. Key Personnel Changes



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

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## Agency Attendees

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# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

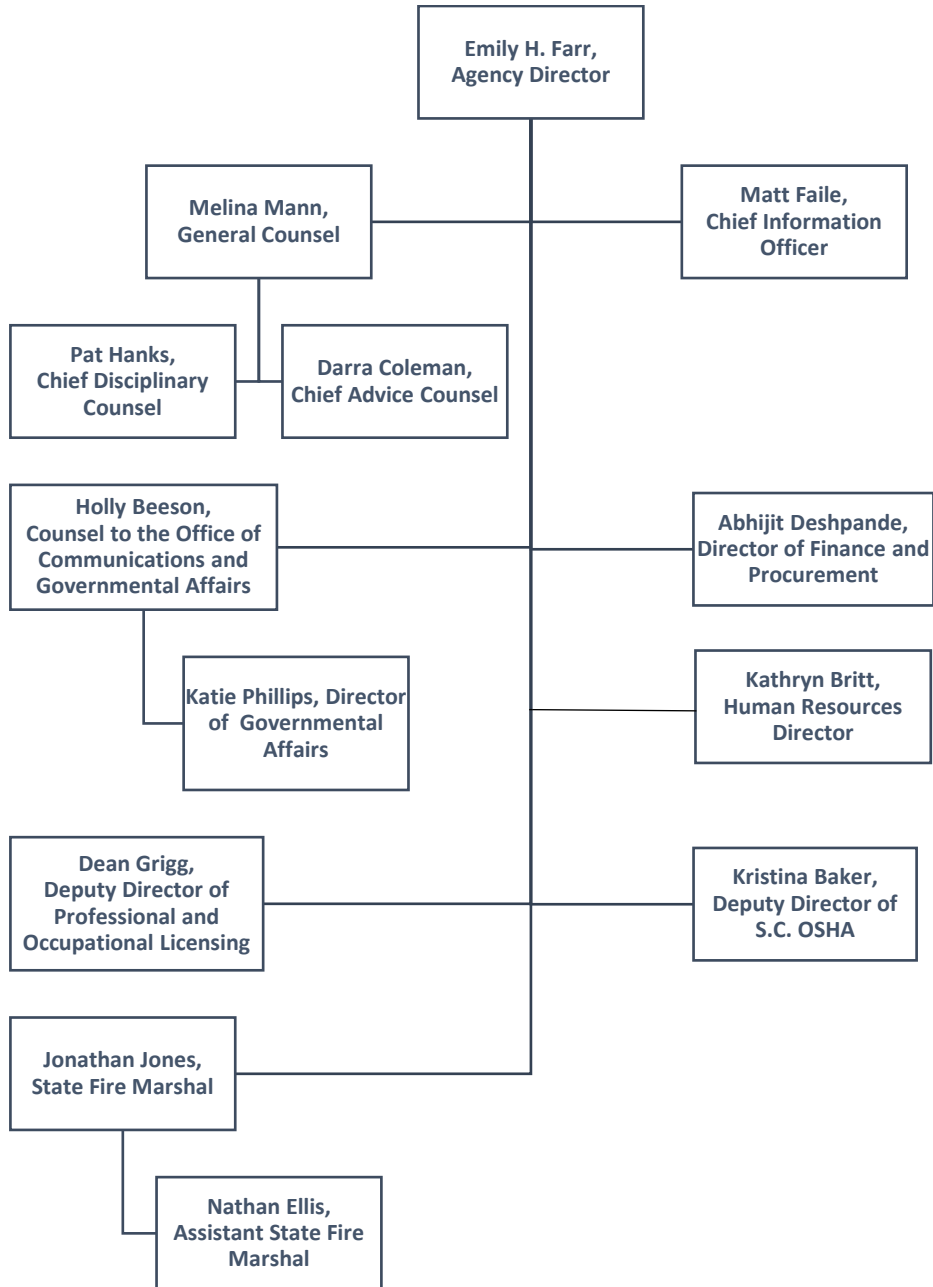
## Agency Information

- LLR's mission is to promote the health, safety and economic well-being of the public through regulation, licensing, enforcement, training and education.
- Major Program Areas:
  - Division of Professional and Occupational Licensing
    - 42 licensing boards
  - State Fire
    - Office of State Fire Marshal; SC Fire Academy; Emergency Response Task Force
  - Labor programs
    - Division of Occupational Health and Safety Administration
    - Immigration Compliance
    - Wages and Child Labor Enforcement
    - Office of Elevators and Amusement Ride Safety
- The Agency is self-sustaining, with 96.5% of the funding derived from Other Funds, and only 3.5% of the funding derived from General Funds.



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Organizational Chart





# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Accountability Report Highlights - FY18-19 Accomplishments

- Issued 49,534 new licenses (25% increase) and 176,837 renewal licenses and served 24,872 walk-in customers (37% increase)
- Actively involved in the preparation for and response to Hurricane Florence and the fight against flooding; State Fire worked 24/7 at both the SEOC and the Fire Academy for over 21 consecutive days
- Provided 50% more OSHA-10 classes in high schools than the previous year through OSHA Division; 11% reduction in the number of employee/worker fatalities, with 0 reported fatalities in the manufacturing sector
- At the end of FY 18-19, 10 of the Agency's 42 boards, or 24% of the boards, were utilizing the centralized mail intake process system, which was initiated in 2019
- 17 boards began using CE Broker to more effectively ensure licensees have required continuing education for license renewal, an increase of 42% over the last fiscal year
- Created the Physician Assistant (PA) portal to streamline applicants' submissions to the medical board in compliance with the update to the PA licensing law in 2019
- 80% of investigations were completed within 125 days even though the Office of Investigations and Enforcement received almost 900 more complaints than the previous year
- Reduced backlog of elevators with outstanding abatements by 37%
- 30% decrease in fire fatalities from the five year average during 2019
- Increased the number of team members of the SC Emergency Response Task Force from 113 to 180
- 65 confirmed lives saved by fire alarms installed through the Smoke Alarm Blitz program; according to American Red Cross South Carolina has the most confirmed lives saved from smoke alarms used through this program
- 184% increase in the number of employees attending in-house customer service training; average score of customer service satisfaction surveys was 4.63 out of a possible 5
- Replaced 250 aging desktop computers as well as the Agency server and storage infrastructure platform



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Accountability Report Highlights - FY19-20 Goals

- Continue to invest in Agency's information and technology structure to provide optimal performance and strengthen cyber security and disaster recovery
- Implement a new phone system to deliver better customer service to licensees and the public
- Implement a bulk licensing verification system to allow employers to verify licensure of employees on a large scale as frequently as they choose
- Begin running fingerprint criminal background checks through a third party that was awarded a contract to handle all of such searches where required for licensure
- Continue to expand opportunities for training and educating the future workforce to obtain professional and occupational licensure, registration, or certification
- Continue to utilize resources efficiently and effectively within Division of OSHA to improve the safety of South Carolina's worksites and workforce
- Expand State Fire's service and support through the community risk reduction programs, the South Carolina Fire Academy, and the Emergency Response Task Force and Firefighter Mobilization
- Continue to implement the capital improvement plan for the South Carolina Fire Academy and Fire Marshal's campus



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Recurring Budget Request # 1

- **Priority # 1:** Employer Contributions
- **Amount:** \$2,180,000 (Other Funds)
- **Justification:**
  - Agency has experienced change in cost to pay for employer contributions due to increased rates of employer contributions to the State Retirement System (in FY16 and FY20) and the State Health Plan (in FY19).
  - In the past, Agency had additional budget authority in other programs to cover the change in cost; however, due to the growth in demand for Agency's programs and services Agency projects the budget currently authorized for the various programs will need to be expended in those programs, and Agency intends to align its budget more accurately with how it expends funds.

## Recurring Budget Request # 2

- **Priority # 2:** State Fire Marshal's V-SAFE Program
- **Amount:** \$2,500,000 (Other Funds)
- **Justification:**
  - The recipients of these funds are local volunteer and combination fire departments. The funds are to be distributed to applicants pursuant to Section 23-9-25 through a competitive process.
  - This is a recurring initiative and the budget authorization for these distributions has never been requested in the past budget cycles, except for the first-year appropriations when the program was established with the Capital Reserve Funds in FY16-17.
  - Agency received a one-time appropriation from the Joint Other Funds Committee of \$2.5 million in FY19-20. This request is to make that authorization recurring.





# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Recurring Budget Request # 3

- **Priority # 3:** Employee Salary-2% General Increase
- **Amount:** \$510,600 (Other Funds)
- **Justification:**
  - For the FY19-20, the General Assembly passed a 2% general increase for state employees. This request is asking for additional authorization in the amount of this general increase.

## Recurring Budget Request # 4

- **Priority # 4:** IT Security Plan
- **Amount:** \$500,000 (Other Funds)
- **Justification:**
  - The funds will be used to replace aging equipment, maintain cyber liability insurance, maintain and update data servers and firewalls, maintain cloud support and security for disaster recovery purposes, and maintain or improve the Agency's cybersecurity infrastructure in FY20-21 and beyond.
  - These funds will help Agency to remain in compliance with the Division of Technology/Division of Information Security standards relating to end-user computing devices and information security and privacy.



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Non-Recurring Budget Request # 1

- **Priority # 5:** Sumter Landfill Search
- **Amount:** \$365,000 (State General Funds)
- **Justification:**
  - Agency is requesting these funds to offset other fund expenditures realized in FY20 relating to the search efforts at the Sumter Landfill.
  - These expenditures were originally paid for with existing budget authorization and cash that was originally intended for other State Fire programs.

## Non-Recurring Budget Request # 2

- **Priority # 6:** Emergency Response Task Force - Urban Search and Rescue SC Task Force 1 (US&R SC-TF1) and Helicopter Aquatic Rescue Team (SC-HART) Equipment
- **Amount:** \$850,000 (State General Funds)
- **Justification:**
  - Equipment and supplies purchased with these funds will support the mission of SC-TF1 and SC-HART, ensuring they have proper, up-to-date equipment. A comprehensive list of equipment and supplies to be purchased with the funds is provided at Tab 6.
  - SC-TF1 responds to floods, hurricanes, earthquakes, widespread tornadoes, terrorist events, and other natural or man-made disasters in SC by providing search and rescue, medical support, damage assessment and assistance in the coordination of search and rescue. It is the State's only comprehensive urban search and rescue team.
  - SC-HART exists through partnership between State Fire and SC National Guard. State Fire provides highly-trained civilian rescuers that perform high-risk, precision rescues from SCNG helicopters.
  - Both SC-TF1 and SC-HART are routinely used for response to hurricanes and floods in South Carolina.
  - Equipment, including rescue equipment and harnesses from which rescuers and survivors suspend out of helicopters, are in critical need of replacing – some of which is over 15 years of age.



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Recurring Budget Request # 5

- **Priority # 7:** PTSD Treatment – Fast Program
- **Amount:** \$250,000 (State General Funds)
- **Justification:**
  - Currently, Proviso 118.16 provides \$500,000 for First Responder PTSD Treatment. The proviso directs SLED to distribute 50% of it to Law Enforcement Assistance Program (LEAP) and 50% of it to the South Carolina State Firefighters Association for the South Carolina Firefighter Assistance Support Team (FAST).
  - FAST provides reimbursement to both firefighters and emergency medical technicians who may incur job-related critical incident or post-traumatic stress disorder for actual out-of-pocket expenses not covered through workers compensation or other insurance options associated with seeking professional treatment. FAST provides training in PTSD prevention and recognition. FAST also provides assistance to family and fire departments for any line-of-duty deaths and other critical needs of the fire service.
  - Agency is proposing to transfer 50% to LLR as a recurring appropriation as Agency's State Fire Division is uniquely suited to manage and distribute these funds



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Proviso Revision Request # 1

**Requested Action:** Add

**Number:** 81.13 (New)

**Title:** First Responder PTSD Treatment

**Budget Program:** II. D. Office of State Fire Marshal

**Related Budget Request:** Agency Priority # 7; Recurring General Funds - \$250,000

**Proposed Text:** Of the funds appropriated to the South Carolina Department of Labor, Licensing and Regulation – State Fire Marshal’s Office (SCLLR) for first responder PTSD treatment, the department shall distribute funds to the South Carolina Firefighter Assistance Support Team (FAST) to reimburse firefighters and emergency medical technicians who incur mental injury as a result of a critical incident during the scope of employment for actual out-of-pocket expenses not covered through workers compensation claims and/or other insurance and can also be utilized to provide services through the South Carolina Firefighter Assistance Support Team. LLR shall promulgate any administrative regulations necessary to carry out the provisions of this section.

## Proviso Revision Request # 2

**Requested Action:** Add

**Number:** 81.14 (New)

**Title:** Non-Federal Other Funds Grant Awards

**Budget Program:** II. D. Office of State Fire Marshal

**Related Budget Request:** None

**Proposed Text:** In order to support the public programs of community risk reduction, firefighter training and emergency response and rescue, subsequent to receipt of any new, mid-fiscal year, non-federal grant or award to the SC State Fire Division from another state agency or outside entity in the amount of \$250,000 or less, the Department of Labor, Licensing and Regulation may request additional non-recurring Other Funds Authorization from the Executive Budget Office without requiring further authorization approval from the General Assembly to expend such grant awards.



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Spending Plan for Non-Recurring Budget Request #2 Emergency Response Task Force

Priority	Item	Description	Unit Price	Quantity	Total Cost
1	Helicopter Aquatic Rescue Team Rescuer Equipment	Each HART Rescuer is equipped with the personal protection and rescue equipment necessary to ensure the rescuer's and survivor's safety during a rescue mission. This equipment includes flame retardant suits (required for operations in a helicopter), flight helmet, dry suit and other water rescue gear, rescue harnesses for being lowered via hoist, and an emergency escape air supply. All of the equipment, currently being used by rescuers, has reached or is approaching its end-of-service life.	\$10,000.00	20	\$200,000.00
2	Helicopter Aquatic Rescue Team Survivor Extraction Equipment	Each HART Helicopter must be outfitted with specialized equipment, used by HART Rescuers to extract a survivor from a variety of rescue environments, including swift water, wilderness, and mountain. This equipment includes rescue baskets, harnesses, tethers and other specialized equipment. All of the equipment, currently being used by rescuers, has reached or is approaching its end-of-service life.	\$15,000.00	5	\$75,000.00
3	Swift Water Rescue Boats	A swift water rescue requires specialized boats and equipment in order to operate in this type of extremely hazardous environment. Swift water rescue boats consist of a rigid hull surrounded by an inflatable bladder. This design combines the stability and buoyancy of an inflatable boat (required for operation in swift water) with the speed of a rigid hulled boat. The team's current fleet of swift water rescue boats are 15 years old and have been used extensively during the flooding events of the last 5 years. While the motors are still in good shape, the boats require constant repair and need to be replaced.	\$5,000.00	8	\$40,000.00
4	Rescuer Personal Protection Equipment	Basic requirements to provide protection for rescuers in the performance of their duties. Equipment includes base layer protection, boots, gloves, and protective coat and pants that meet the national safety standards for Urban Search and Rescue. This equipment is required to protect the rescuer in a variety of extreme and hazardous environments. The gear currently being used by rescuers is 15 years old, have been worn extensively, and need to be replaced. Additional sets of this equipment are required to outfit new team members, who do not currently have some of this required equipment.	\$1,192.86	140	\$167,000.00
5	Aluminum hull rescue boats (and motors)	Medium-sized, flat bottom rescue boats (and motors), designed for shallow and flood water rescues. These boats will complement the existing boat cache, which are designed primarily for swift water rescue.	\$7,500.00	4	\$30,000.00
6	Double-stack boat trailer	Boat trailers designed to transport two boats on one trailer, using one tow vehicle. This configuration increases the number of boats our team can bring to the floodfight, while reducing the overall logistical footprint of the water rescue team.	\$5,000.00	2	\$10,000.00



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

Priority	Item	Description	Unit Price	Quantity	Total Cost
7	Paratech Airbag Kit	Kit of specialized high-pressure and low-pressure rescue airbags used to lift and move heavy objects. This kit will replace the current rescue airbags, which have reached the end of their service life, in compliance with national standards.	\$40,000.00	1	\$40,000.00
8	LULL (Heavy-Duty Rough-Terrain Forklift)	Heavy-duty forklift with a 10,000 lb. lifting capacity, 50' telescoping boom, and all-terrain capabilities. This equipment is required for loading/unloading equipment in the field, during an emergency or training event. Currently the team rents this piece of equipment 4-5 times a year. State Fire has spent more than \$30,000 over the last 3 years on LULL rentals.	\$100,000.00	1	\$100,000.00
9	Moffet Forklift w/ vehicle mount	Medium-duty forklift with a 7,500 lb. lifting capacity and rough-terrain capabilities. This forklift is designed to be hauled as part of a cargo truck. The forklift stows and is mounted on the back of the truck. This piece of equipment is essential for smaller-scale deployments, requiring only one or two of the functional area disciplines of the Task Force. With our current equipment transportation configuration, the same deployment requires a minimum of two 18-wheelers - one to haul the equipment and separate one to haul a rented forklift.	\$65,000.00	1	\$65,000.00
10	Mobile Generator	80 KW generator designed to be towed behind a vehicle. This generator will provide sustainable power for the team's Base of Operations or Forward Operating Base, during a deployment to a disaster area.	\$45,000.00	1	\$45,000.00
11	Interoperable Communications Equipment Replacement/Upgrade for Field Comm 1	Required equipment upgrades and replacements to maintain interoperable communications with other state agencies and local responders during an emergency. Field Comm 1 is a field communications vehicle, owned by State Fire that deploys during disasters and local emergencies to assist other state agencies, local responders, and provide support to South Carolina Urban Search and Rescue Task Force 1 and Firefighter Mobilization. Much of the existing equipment is technologically obsolete and in need of replacement to maintain interoperability with other response agencies and local responders. This communications equipment provides mainstream radio communication via multiple spectrums and frequencies, as well as provides back-up communication systems, when primary systems are damaged or inoperable.	\$78,000.00	1	\$78,000.00

**Total**      **\$850,000.00**



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Proviso Request Summary

Proviso # in FY 20- 21 Act	Proviso Title	Short Summary	Agency Recommended Action (keep, change, delete, add)
New (81.13)	First Responder PTSD Treatment	Of the funds appropriated to the South Carolina Department of Labor, Licensing and Regulation – State Fire Marshal’s Office (SCLLR) for first responder PTSD treatment, the department shall distribute funds to the South Carolina Firefighter Assistance Support Team (FAST) to reimburse firefighters and emergency medical technicians who incur mental injury as a result of a critical incident during the scope of employment for actual out-of-pocket expenses not covered through workers compensation claims and/or other insurance and can also be utilized to provide services through the South Carolina Firefighter Assistance Support Team. LLR shall promulgate any administrative regulations necessary to carry out the provisions of this section.	Add
New (81.14)	Non-Federal Other Funds Grant Awards	In order to support the public programs of community risk reduction, firefighter training and emergency response and rescue, subsequent to receipt of any new, mid-fiscal year, non-federal grant or award to the SC State Fire Division from another state agency or outside entity in the amount of \$250,000 or less, the Department of Labor, Licensing and Regulation may request additional non-recurring Other Funds Authorization from the Executive Budget Office without requiring further authorization approval from the General Assembly to expend such grant awards.	Add



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## FTE Breakdown (as of December 2019)

Division	# of FTE
Administration	89
State Fire	80
Labor	82
Professional and Occupational Licensing	190
<b>Total</b>	<b>441</b>

	Filled	Vacant	Subtotal
State	23.4	8.3	31.7
Other	344	26	370
Federal	28.6	10.7	39.3
<b>Total</b>	<b>396</b>	<b>45</b>	<b>441</b>





# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

## Cash Carry Forward

FY Fund High Level Info	Fund - Key	Fund	Cash Balance (06/30/2019)
10000000 GENERAL FUND	10010000	GENERAL FUND	\$0.00
20000000 GEN FUND REVENUE	28230000	INDIRECT COST REC	\$0.00
20000000 GEN FUND REVENUE	28370000	GENERAL REVENUE	\$0.00
30000000 EARMARKED FUNDS	30350000	OPERATING REVENUE	\$14,203,857.93
30000000 EARMARKED FUNDS	30350999	OP REV - HR PR	\$0.00
30000000 EARMARKED FUNDS	30980000	DONATIONS	\$631.92
30000000 EARMARKED FUNDS	31350000	POLA REVENUE	\$28,309,284.03
30000000 EARMARKED FUNDS	31500000	CVO SPECIAL REVENUE	\$0.00
30000000 EARMARKED FUNDS	31730000	EDUC & RESEARCH FD	\$1,190,282.21
30000000 EARMARKED FUNDS	34E40000	INCREASED ENFORCE	\$0.00
30000000 EARMARKED FUNDS	36340000	CAP RES FD OPER	\$0.00
30000000 EARMARKED FUNDS	39078000	CAP PROJ-OTHER FD	\$703,932.75
30000000 EARMARKED FUNDS	30037000	DUAL EMPLOYMENT	\$0.00
30000000 EARMARKED FUNDS	30240000	HR-PR DEFAULT	\$0.00
30000000 EARMARKED FUNDS	30267000	PR LIABILITIES - SAP	(\$543.07)
30000000 EARMARKED FUNDS	32827000	REAL ESTATE APP REG	\$119,875.00
30000000 EARMARKED FUNDS	37300000	VAC TIME SHAR REC	\$253,980.00
40000000 RESTRICTED FUNDS	45920000	AUCTIONEER RECOVERY	\$135,029.34
50000000 FEDERAL FUNDS	50550000	FEDERAL	(\$813,602.67)
50000000 FEDERAL FUNDS	50930000	HOMELAND SECURITY	(\$186,163.91)
50000000 FEDERAL FUNDS	51080000	CONSULT PRIV SEC	(\$863.07)
50000000 FEDERAL FUNDS	51090000	OSHA-FEDERAL	(\$9,951.85)
50000000 FEDERAL FUNDS	51100000	BLS STATISTICS	(\$18.17)
50000000 FEDERAL FUNDS	55110001	2015 SEVERE FLOODING	\$0.00
50000000 FEDERAL FUNDS	57S78011	ARRA-CP-FED-INT-R&M	\$0.00
			<b>\$43,905,730.44</b>



# SC DEPARTMENT OF LABOR, LICENSING AND REGULATION

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## Key Personnel Changes

- Reorganization of Department of Administration with elimination of Deputy Director of Administration position and creation of Director of Finance and Procurement
  - ❖ Abhi Deshpande: Director of Finance and Procurement
  - ❖ Patrick Jarvis: Finance Manager