

South Carolina Administrative Law Court



**FY 2023-2024 Budget Plans
House Ways and Means
Constitutional Subcommittee**

South Carolina Administrative Law Court

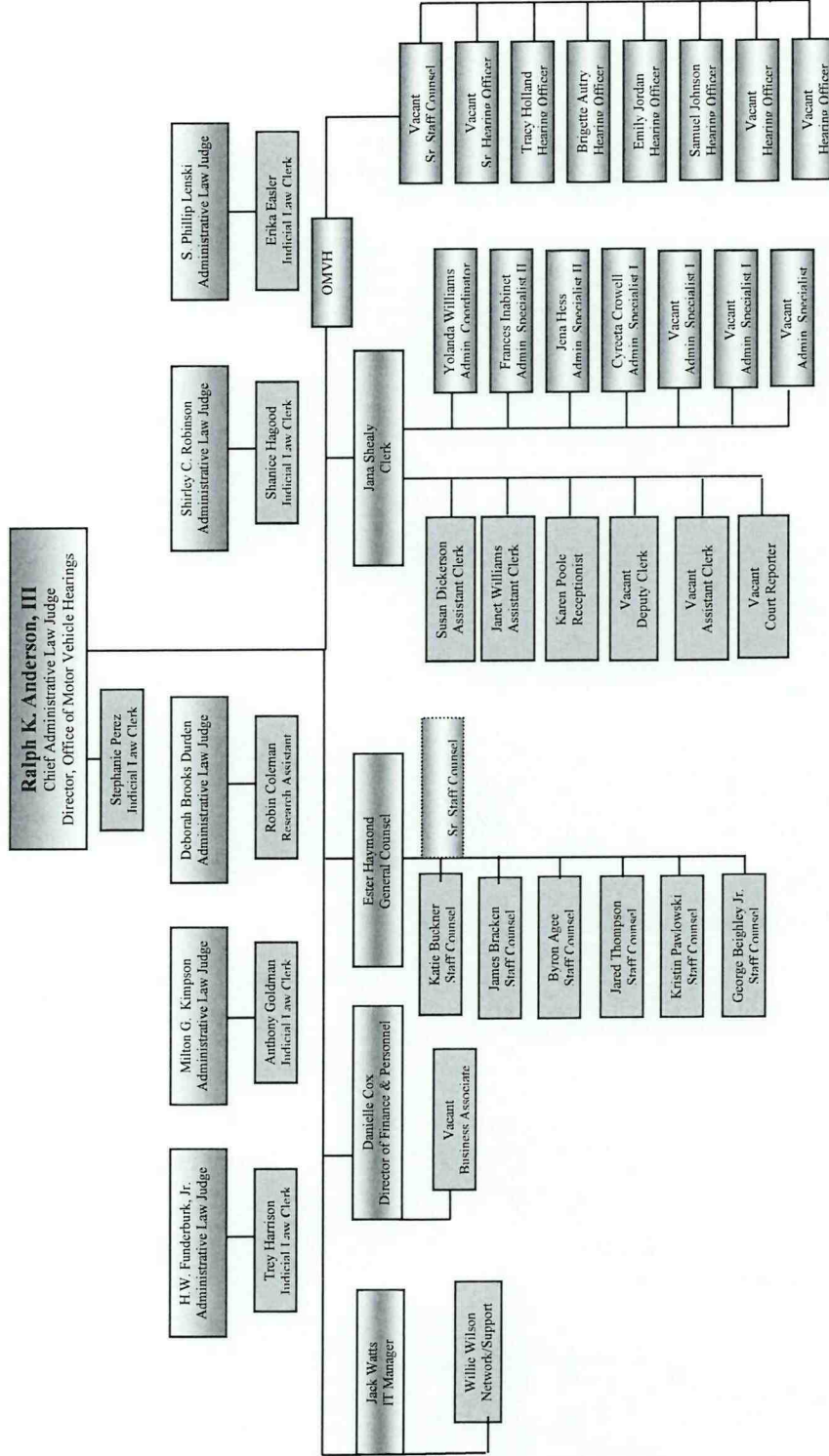
**House Ways and Means
Constitutional Subcommittee
FY 2023-2024 Budget Hearing
Tuesday, January 31, 2023, upon adjournment**

Key Officials Attending Meeting

- Ralph K. Anderson, III, Chief Judge
803.734.6409
- Jana Shealy, Clerk of Court
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803.734.6411
- Danielle Cox, Finance Director
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The Court's mission is to provide a neutral forum for fair, prompt and objective hearings for any person(s) affected by an action or proposed action of certain State agencies or departments.

South Carolina Administrative Law Court FY 2023



The South Carolina Administrative Law Court (ALC) Overview

- The ALC is a court of record and agency in the Executive Branch
- The mission of the ALC is to provide a neutral forum for fair, prompt and objective hearings for any person(s) affected by an action or proposed action of certain agencies or departments of the State of South Carolina
- The ALC is comprised of the ALC and the Office of Motor Vehicle Hearings (OMVH)
 - ALC has 6 judges and 20 support staff
 - OMVH has 4 hearing officers and 4 support staff (Chief Judge serves as Director)
 - The support staff for the ALC also includes support staff for the OMVH
 - Total of 50 FTES, 16.25 are currently vacant

FY 23-24 Budget Plan

The ALC's budget plan initially included 2 priorities for the upcoming Fiscal Year. We are asking to amend Priority 1 and 2 and to add 3 additional priorities for a total of \$767,659.00.

Priority 1 – Initial Funding Request of \$156,800.00, amended to \$330,875.00, for salary increases and fringe for attorneys. The ALC continues to struggle with a significant turnover rate among our staff attorneys. It is imperative for the Court to be able to attract and retain qualified employees to support its mission and assist the judges in issuing sound and prompt decisions.

Priority 2 – Initial Funding Request of \$50,000.00, amended to \$63,450.00, for an Accounting Technician Position in the Finance Office. The Business Office is currently managed by 1 FTE and a part-time employee. This position will enable it to efficiently meet the demands of the agency's financial responsibilities and continue to adhere to accounting requirements.

Priority 3 – Funding of \$205,429.00 to transfer 3 FTEs from Other Funds to State. Currently 25 FTEs are paid out of State and 8.75 FTEs are paid out of Other Funds.

Priority 4 – Funding of \$75,000.00 for back-up hardware for all 3 Courtrooms in the event of equipment malfunction.

Priority 5 – Funding of \$92,905.00 for potential cost increases for capital improvements. The current renovation project is \$619,370.00 but the vendor has indicated there will be overages.

Current Budget (FY 22-23)

State (with allocations):	\$4,214,631.00
*Other:	<u>\$1,655,986.00</u>
Total:	\$5,870,617.00

Expenditures:

Salaries and Benefits:	\$4,849,944.00
Remaining for Operating:	\$1,020,673.00

(Operating includes, but is not limited to: Rent, WestLaw, Court Reporting, Computer licensing, Postage, Equipment, Supplies, etc.)

*Other funds: revenue pursuant to SC Code Section 1-23-670, 56-5-2952 and Proviso 58.1

FY 23-24 Budget Priorities Summary

Agency Name

Budget Priorities		Funding						
Priority No.	Priority Type (recurring/ non-recurring/ other funds adjustment/ federal funds adjustment)	Priority Title	Priority Description	Recurring	Non - Recurring	Other	Federal	Total

* 1 Recurring Comparable Salaries Salary increases for attorneys and administrative staff. Comparable salaries are needed to attract and retain qualified employees. \$ 330,875.00

* 2 Recurring Accountant/Fiscal Analyst The funding for an existing vacant FTE will enable the Business Office to hire an Accountant/Fiscal Analyst. The Business Office is currently managed by 1 FTE and a part-time employee. \$ 63,450.00

3 Recurring FTE Transfer and Funding Request to move 3 staff positions from Other Funds to State Funds. Currently 25 FTEs are paid out of State and 8.75 FTEs paid out of Other. \$ 205,429.00

4 Non-recurring Computer Hardware for Courtrooms Surplus hardware for current computer equipment in the 3 courtrooms to use in the event a piece of equipment malfunctions. \$ 75,000.00

5 Non-recurring Renovation Overage Request for potential project cost coverage for the renovation of the 2nd and 3rd floor suites. The total renovation project cost is \$619,370.00. \$ 599,754.00 \$ 92,905.00 \$ 167,905.00 \$ 767,659.00

Note: * indicates the amount initially requested increased.

Constitutional Subcommittee Proviso Request Summary FY 2023-24

Proviso # in FY 22-23 Act	Renumbered FY 23-24 Proviso #	Proviso Title	Short Summary	Agency Recommended Action (keep, change, delete, add)
58.1		Copying Costs Revenue Deposit	Retain and Expend revenue for copying documents and rules	Keep
58.2		County Office Space for Judges	Counties to provide office space for residing ALJ if available	Keep
58.3		ALJ Travel	Subsistence for ALJs traveling	Keep

ADMINISTRATIVE LAW COURT PROVISOS

SECTION 58 - C050 - ADMINISTRATIVE LAW COURT

58.1. (ALC: Copying Costs Revenue Deposit) The **Administrative Law Court** shall retain and expend, for the same purpose for which it is generated, all revenue received during the current fiscal year as payment for printing and distributing copies of court rules and other agency documents.

58.2. (ALC: County Office Space for Judges) Every county shall provide for each Administrative Law Judge residing therein, upon their request, an office within the existing physical facilities if space is available, to include all utilities and a private telephone. The request shall only be made provided that the judges residence is not within fifty miles of the official headquarters of the agency by which the Administrative Law Judge is employed.

58.3. (ALC: ALJ Travel) While holding court or on other official business outside the county in which he resides, within fifty miles of his residence, an Administrative Law Judge is entitled to a subsistence allowance in the amount of \$35 per day plus such mileage allowance for travel as is provided for other employees of the State. While holding court or on other official business at a location fifty miles or more from his residence, an Administrative Law Judge is entitled to a subsistence allowance in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State. However, notwithstanding any other provision of law, the allowance as provided shall not exceed \$8,000 per judge in a fiscal year.

OTHER PROVISOS

SECTION 98 - E160 - OFFICE OF STATE TREASURER

98.7. (TREAS: Withheld Accommodations Tax Revenues) Before noncompliant expenditures and penalties withheld pursuant to Sections 6-4-35(B)(1)(a) and (b) are reallocated, the Tourism Expenditure Review Committee must certify to the Office of State Treasurer that the time period for an appeal of the committees action to the **Administrative Law Court** has expired or that the action of the committee has been upheld or overturned by the **Administrative Law Court**. Noncompliant expenditures and penalties withheld must be reallocated annually after August first. Allocations withheld must be reallocated proportionately based on the most recent completed fiscal years total statewide collections of the accommodations tax revenue according to the Office of State Treasurer records. Each annual reallocation of withheld funds to non-offending counties and municipalities must be calculated separately then combined if necessary. Each reallocation to a county or municipality calculated less than a dollar must be transferred to the General Fund of the State.

SECTION 103 - E500 - REVENUE AND FISCAL AFFAIRS OFFICE

103.1. (RFAO: Geodetic Mapping Program) Funds appropriated or authorized to the Revenue and Fiscal Affairs Office for Mapping, shall be used to clarify county boundary determinations as directed by Section 27-2-105, of the 1976 Code and resolution of the boundary between the states of South Carolina and North Carolina.

An affected party disagreeing with a county boundary certified by the Revenue and Fiscal Affairs Office may appeal the certification to the South Carolina **Administrative Law Court**, which is vested with jurisdiction to hear and decide the case subject to the provisions of Section 1-23-380 of the 1976 Code, except that the case must be heard de novo. Additionally, for purposes of determining the timelines of an appeal, notice is deemed to have been provided on the date of the written notice to affected parties. An affected party has sixty calendar days from the date of a written notice sent to the affected party to file an appeal with the **Administrative Law Court**.

SECTION 117 - X900 - GENERAL PROVISIONS

117.20. (GP: Travel - Subsistence Expenses & Mileage) Travel and subsistence expenses, whether paid from state appropriated, 35 federal, local or other funds, shall be allowed in accordance with the following provisions:

(G) No subsistence reimbursements are allowed to a Circuit Judge, a Family Court Judge, or an **Administrative Law Judge** while holding court within the county in which he resides. While holding court or on other official business outside the county, within fifty miles of his residence, a Circuit Court Judge, Family Court Judge, or an **Administrative Law Judge** is entitled to a subsistence allowance in the amount of \$42 per day plus such mileage allowance for travel as is provided for other employees of the State. While holding court or on other official business at a location fifty miles or more from his residence, a Circuit Court, Family Court or **Administrative Law Judge** is entitled to a subsistence allowance in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State.

Item 9 - Carry forward information

- General Fund carry forward from FY 2022: \$394,618.10

Item 10 - FTE breakdown

- State Funds Positions:
 - Filled: 25
 - Authorized: 29.5
- Other Funds Positions:
 - Filled: 8.75
 - Authorized: 20.5