



SOUTH CAROLINA DEPARTMENT OF
Employment and Workforce

FY 2024 – 2025 Budget Request



Key Agency Officials



WILLIAM H. FLOYD, III
Executive Director



TODD TIMMONS
Chief of Staff



JAMES MICHAELSON
Chief Administrative
Officer

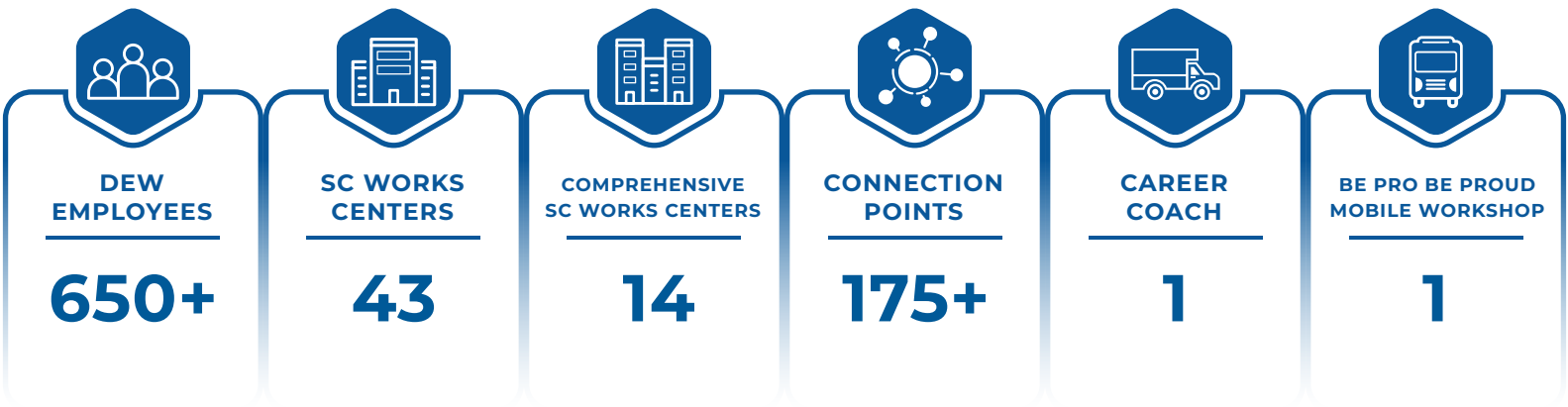


ELLEN ANDREWS
Director of
Governmental Affairs



dew SOUTH CAROLINA DEPARTMENT OF **Employment and Workforce**

To promote and support an effective, customer-driven workforce system that facilitates financial stability and economic prosperity for employers, individuals, and communities.



Unemployment Insurance

- 01** Operates the statewide Unemployment Insurance (UI) program.

- 02** Determines tax liability for employers and maintains records.

- 03** Preserves the integrity of the UI trust fund through claimant and employer audits.

Labor Market Information

- 01** Produces extensive data on employment and wages by industry and occupation for a wide variety of audiences.
- 02** Serves as a resource to connect employers, jobseekers, and others to the labor market insights they need.
- 03** Conducts research and evaluations to ensure that state workforce policy is evidence-based and data-driven.



Workforce Development

- Partners with education and economic development to anticipate workforce needs.
- Administers federal and state training programs.
- Develops training and provides access to supportive services and counseling to address barriers for obtaining employment in high-growth, high-demand occupations.
- Implements activities of the State Workforce Development Board.



Employment Services

- Assists individuals with finding employment by providing job search assistance, career guidance, workshops, and assessments.
- Helps businesses find qualified applicants for open positions by screening for skills and qualifications, interviewing, and testing.
- Operates the database that matches job applicants with employer postings.
- Works with businesses to create an individualized employer plan to find qualified employees.



The State Workforce Development Board

Comprised of business leaders, state and local elected officials, workforce partners, and representatives of community-based organizations. The SWDB aligns resources to position South Carolinians to meet business needs and promote our workforce in a global economy.

The SWDB:

- Helps govern the public workforce system.
- Identifies, invests in, and supports workforce development strategies.
- Aligns state and local workforce development systems.
- Identifies current and future workforce needs.
- Engages jobseekers, employers, and workforce partners.

SC WORKS SERVICES

For Jobseekers:

- Resume and job-search assistance.
- Job matching, job fairs, and hiring events.
- Skills assessment.
- Education and training opportunities.
- Help with barriers.
- Application assistance for jobs.scworks.org.

For Employers:

- Staff that work directly with businesses.
- Resume vetting and job matching services.
- Hiring Events (in-person, virtual, etc.).
- UI target marketing and SC Works marketing.
- Alternative workforce.
- Tax credits and federal bonding programs.
- Job postings on jobs.scworks.org.

Coordinating Council for Workforce Development and Office of Statewide Workforce Development

The CCWD and OSWD are responsible for discussions, collaboration, and information-sharing that helps prepare and train workers to meet current and future workforce needs. The CCWD and OSWD:

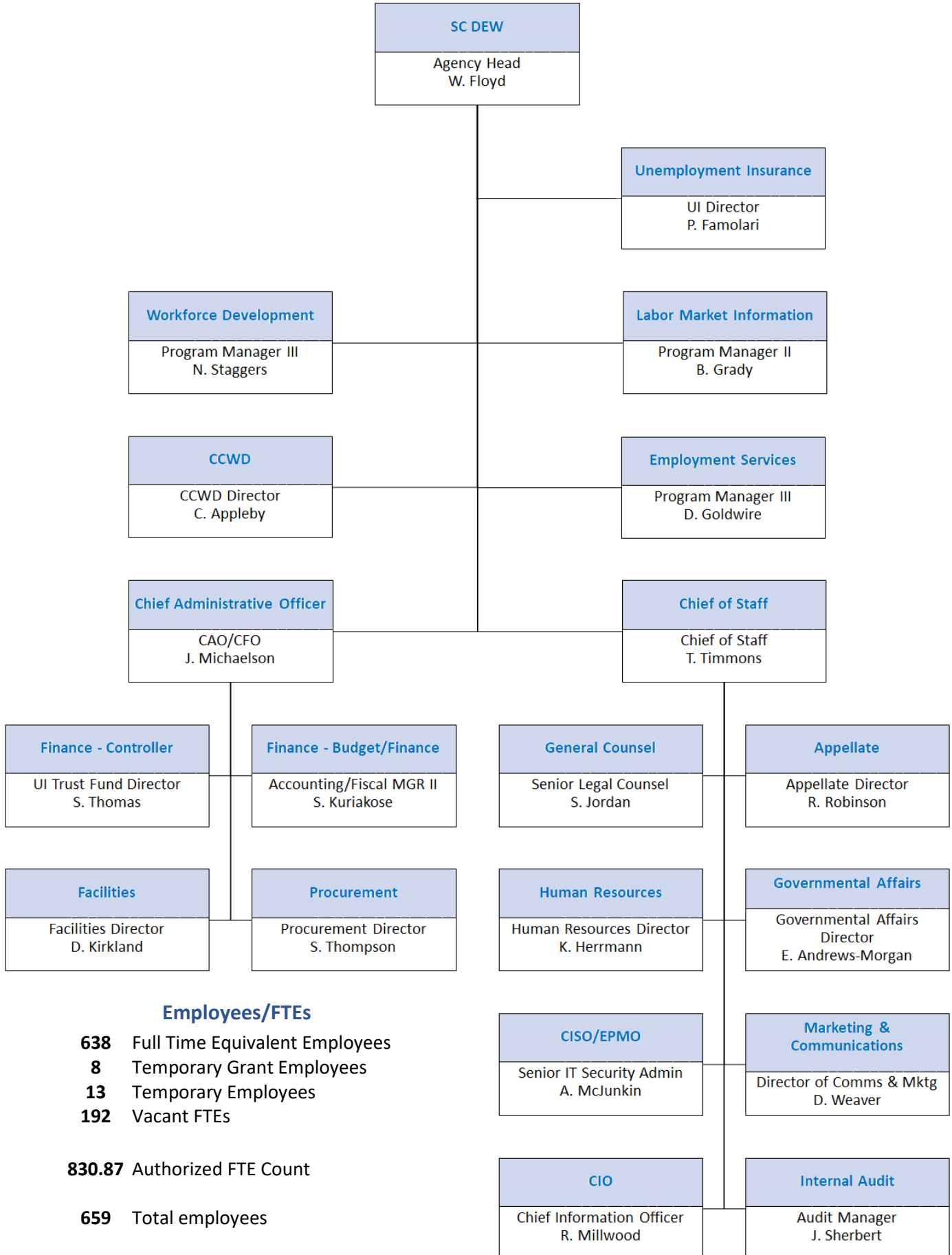
- Collaborate with stakeholders in education, government, and industry to develop and maintain a unified workforce plan for the state.
- Facilitate coordination of education and workforce development efforts at the state, regional, and local levels.
- Provide centralized access to information critical to the lifelong education and career journey of South Carolinians.

SC WORKS

A proud partner of the [americanjobcenter](https://www.americanjobcenter.org) network



SOUTH CAROLINA DEPARTMENT OF
Employment and Workforce



Employees/FTEs

- 638** Full Time Equivalent Employees
- 8** Temporary Grant Employees
- 13** Temporary Employees
- 192** Vacant FTEs

830.87 Authorized FTE Count

659 Total employees

Performance Update

This performance update is an executive summary of DEW's FY2023 annual accountability report.

Employment Services and Workforce Development

Connecting employers and jobseekers, through reemployment assistance and direct engagement with business community, are fundamental to furthering DEW's mission to support financial stability and economic prosperity for employers, individuals, and communities.

At SC Works centers located throughout the state, employment representatives provide the following services:

Jobseekers		Employers	
<ul style="list-style-type: none">• Career counseling• Job referrals• Computer access	<ul style="list-style-type: none">• Testing & training• Résumé assistance• Partner services	<ul style="list-style-type: none">• Training• Job market trends• Tax credit info	<ul style="list-style-type: none">• Recruiting & screening• Posting job openings• Transitional assistance

Job Fairs

There were **973** job fairs and hiring events in FY22-23, including over **200** in September, the first-ever Workforce Development Month. Over 100 job fairs were conducted on DEW's virtual workforce services platform. The virtual platform is an indispensable resource for individuals facing transportation or mobility challenges and populations that are traditionally difficult to reach with conventional job fairs.

Rapid Response and the Career Coach

After discovering a potential layoff or closure, DEW offers impacted workers rapid response services. DEW works directly with companies to assist affected employees with resume building, interviewing skills, searching for jobs, computer literacy, career and wage information, and assistance with unemployment insurance benefits. In FY22-23, DEW provided rapid response services to employees at **210** employers.

The SC Works Career Coach, an integral part of rapid response, made **1,146** stops across the state at **128** events. The Career Coach is a mobile extension of the SC Works centers equipped with ten workstations for job seeking activities, providing resources available at SC Works Centers to rural communities with limited access to internet.

Be Pro Be Proud

DEW received funding in the FY22-23 General Appropriations Acts to continue support for the Be Pro Be Proud program, a partnership with the Associated Industries of South Carolina Foundation (AISCF) to educate high school students, parents, and nontraditional students about the high-paying and high-demand jobs available in the skilled and vocational trades as well as promoting the degree and certificate programs that lead to those jobs.

In FY23, there were **116** Be Pro Be Proud events with stops in **67** municipalities across **38** counties. **12,119** students from **97** schools were among the **12,445** total visitors this year to the Be Pro Be Proud interactive trailer, the Workforce Workshop, which provides hands-on experience with skilled professions through eight module simulators: forklift operation, commercial driving, heavy equipment operation, utility bucket operations, diesel technology, construction technology, CNC machine operation, and welding.

Employment Services for Veterans

DEW continued to improve its services that facilitate veterans transitioning into the civilian workforce. In FY22-23 the SC Works Veterans' Portal, launched in April 2022, had its user interface enhanced to facilitate a seamless transition for veterans into civilian life. The platform serves as a comprehensive resource, allowing veterans to search for jobs using keywords, location, and military occupation codes, while also providing information on training and education opportunities. Additionally, veterans can locate nearby SC Works centers, where dedicated staff offer priority services, including résumé and networking assistance. Furthermore, DEW actively participates in federal programs like the Transition Assistance Program and the SkillBridge program.

Training and Technical Assistance

- *GED Incentive Program*: Proviso 83.7 was amended in the FY22-23 General Appropriations Act to allow DEW to carry forward funding to continue the GED incentive program in which individuals currently drawing unemployment benefits were eligible to receive \$500 for enrollment and completion of a GED or high school diploma program. In FY22-23, **311** unemployment insurance claimants completed the program to receive the incentive. Since the start of the program, **70%** of unemployment insurance claimants enrolling in a GED program

went on to successfully complete the program and obtain their GED for a total of **500** completers since July 2021.

- *SC Cyber Assistance Program*: DEW, in partnership with the SC Manufacturing Extension Partnership and the SC Department of Commerce, continued implementation of the South Carolina Cyber Assistance Program (SC-CAP) to provide funding and technical assistance to South Carolina manufacturers to meet the cybersecurity standards within Department of Defense contracts. This year, eligibility was expanded from only manufacturers to also include architecture, engineering, and logistics firms operating in the defense industrial base.

Rural Initiatives

In FY22-23, DEW renewed its focus on rural areas with several initiatives.

- *Connection Point Expansion Grant*: DEW offered funding up to \$25,000 for faith-based and community organizations to establish a Connection Point. Connection Points provide free computer access and resources for unemployment insurance claims and employment assistance. Grant recipients included various organizations.
- *SC@Work Road Trips*: DEW launched SC@Work Road Trips in May 2023. These events highlight the opportunities and services available in rural communities while building direct connections with local employers, community leaders, and jobseekers. These events feature the Career Coach and SC Works staff.
- *Rural Long Term Unemployment Study*: DEW contracted with the University of South Carolina, Darla Moore School of Business, to conduct an analysis of rural workers post COVID-19 to determine if they face greater barriers for reemployment. This study highlighted the importance of understanding the impact of living in a rural area and addressing barriers faced by residents of rural communities to improve their employment outcomes.

Unemployment Insurance (UI)

DEW maintained the health of the state's Unemployment Trust Fund with a year-end balance of **\$1.55 billion**, a record high for the state. On average, rates were lower for rate classes 2-19 (those classes that do not have a rate set by statute) by an average of **15.5%** compared to 2022 levels.

DEW introduced an online tax lien registry in summer 2021 for unpaid UI taxes, providing a searchable repository. The Debtor's Corner, listing significant debtors, followed shortly. In December 2022, improvements were made based on public feedback, including the ability to search the registry using the last four digits of a social security number. The Debtor's Corner was upgraded to consolidate all outstanding liens for a simpler result.

In addition, DEW updated its regulations in 2023.

- Regulation 47-16 was amended to align the collection remedies authorized within the regulation with those conferred upon the agency in statute by deleting reference to "Chapter 54" of Title 12 to align with §41-31-400, which confers upon DEW all collection powers of the Dept. of Revenue in Title 12, not just Chapter 54.
- Regulation 47-55 was amended to give the business community additional flexibility for representation in hearings before an Appeal Tribunal or the Appellate Panel. This amendment now allows a partnership, corporation, association, or limited liability company to be represented by a member, partner, officer, or employee thereof in both benefit and tax proceedings. In tax proceedings, this amendment also gives these entities the option to be represented by a CPA.

Labor Market Information (LMI)

DEW bolsters the workforce system by providing actionable data to validate its programs and policies as well as inform community stakeholders about the state of our workforce and economy. FY22-23 included a revamp of DEW's labor market information online portal as well as its data dashboard, allowing users to customize the data presented to fit their needs.

- *Regional Labor Force Analysts*: In 2023, four new regional labor force analysts were hired to disseminate workforce data and provide analysis for specific Workforce Innovation and Opportunity Act (WIOA) regions.
- *Labor Force Participation Task Force*: In March 2022, DEW launched the South Carolina Labor Force Participation Task Force. To support the work of the task force, DEW procured two studies completed in FY22-23: *Labor Force Participation Survey* (Millan Chicago LLC) and *Literature Review & Decomposition Analysis* (Chmura Economics and Analytics). In January and February 2023, four briefings were held, including one for members and staff of the General Assembly, to share these projects with the public to enhance the understanding of this issue throughout the state.

Program	FY	Commitment Item	Commitment Name	Budget	Actual
Work Readiness Program	2023	501058	Personal Services	38,157.18	38,157.18
Work Readiness Program	2023	501070	Personal Services	966.60	966.60
Work Readiness Program	2023	512001	Other Operating Expenses	139,970.04	139,970.04
Employer Contributions	2023	513000	Employer Contributions	22,246.19	22,246.19
Be Pro Be Proud	2023	561000	Supplemental Appropriation	406,428.11	406,428.11
	2023			607,768.12	607,768.12
Program	FY	Commitment Item	Commitment Name	Budget	Actual
Work Readiness Program	2024	501058	Personal Services	66,308.00	22,529.39
Work Readiness Program	2024	512001	Other Operating Expenses	922,000.00	784,033.40
Work Readiness Program (Carry Forward)	2024	561000	Carry Forward	51,127.00	0.00
Work Readiness Program (Alloc)	2024	561000	Allocations - Empl Benefits	37,652.00	0.00
Regional Education Centers	2024	501058	Personal Services	220,000.00	46,540.17
Regional Education Centers	2024	501070	Personal Services	5,000.00	0.00
Regional Education Centers	2024	512001	Other Operating Expenses	75,000.00	17,173.94
Regional Education Centers	2024	517075	Allocation Entities	300,000.00	300,000.00
Appeals	2024	501058	Personal Services	190,397.00	25,881.85
Appeals	2024	501060	Unclassified	323,994.00	170,096.40
Appeals	2024	501070	Personal Services	0.00	21,539.04
Appeals	2024	512001	Other Operating Expenses	88,173.00	2,065.34
Unemployment Job Training	2024	561000	Carry Forward	400,550.00	40,535.00
Coordinated Workforce Development	2024	501058	Personal Services	2,239,703.00	199,048.40
Coordinated Workforce Development	2024	501060	Personal Services	116,671.00	62,639.01
Coordinated Workforce Development	2024	512001	Other Operating Expenses	778,643.00	68,420.82
SW Workforce Development (H.3726)	2024	561000	Non-Recurring Appropriations	3,005,800.00	263,364.93
Colleton County - Career Skills Center	2024	561000	Non-Recurring Appropriations	150,000.00	0.00
Be Pro Be Proud	2024	561000	Carry Forward	848,445.19	10,875.03
Employer Contributions	2024	513000	Employer Contributions	1,655,478.00	230,091.02
	2023			11,474,941.19	2,264,833.74

General Fund - Carry Forward Balance from fiscal year 2023 to 2024

Doc Year	Entry Docu	Doc. Type	Process	Year	Budget Type	Fund	Funds Ctr	Cmmt item	Grant	Funded Program	Amount LC
2024	1000929517	CFWD	Carry For. Recv	2024	Carryforward Special Items	10010000	R6000000	561000	NOT RELEVANT	9817.130000X000	205,945.19
2024	1000929517	CFWD	Carry For. Recv	2024	Carryforward Special Items	10050023	R6000000	561000	NOT RELEVANT	9817.130000X000	642,500.00
2024	1000935434	CFGF	Carry For. Recv	2024	Carryforward Gen Fund	10010000	R6000000	561000	NOT RELEVANT	8900.000000X000	51,127.00

FY 24-25 Prioritized Budget Request Summary

Department of Employment and Workforce (R600 - 83)

BUDGET REQUESTS				FUNDING					FTEs			
Priority	Request Type (recurring, non-recurring, capital)	Request Title	Brief Description	General - Recurring	General - Nonrecurring	Other	Federal	Total	State	Other	Federal	Total
1	Recurring	RWA Funding	<p>DEW is requesting \$550,000 in recurring EIA funding to support and enhance the operations of DEW's Regional Workforce Advisors. The Regional Workforce Advisors (RWAs), created by the Education and Economic Development Act (EEDA) of 2005, were transferred from the SC Department of Commerce to DEW by the Statewide Education and Workforce Development Act (Act No. 67 of 2023). Each of the twelve RWAs serves one of the twelve Workforce Regions within South Carolina.</p> <p>The RWAs are the agency's resource to bridge gaps at the local level between those who educate students and those in the business community. State law requires RWAs to facilitate the delivery of information, resources, and services to students and their parents, educators, and employers within our local communities. Each RWA will use these funds to support initiatives tailored to the specific needs of their local area. Each RWA tracks local workforce needs to seek strategic collaboration opportunities and plan events responsive to local needs, demand, and industries. In addition to local initiatives, these funds will support statewide activities such as Boeing Days, SC Days, and other initiatives that bring teachers, administrators, and students together with industry leaders to learn more about the opportunities for those entering South Carolina's workforce.</p>			550,000.00		550,000.00				0.00
2	Recurring	General Increase for DEW's ES, WIOA, UI, & LMI Programs	<p>The SC Department of Employment and Workforce is asking for consideration for an additional \$2,309,332 in funding from the state's general fund to compensate for the legislated 5% general increase that was given to all FTE positions effective June 2, 2023. As federal grants predominately fund this agency, legislated increases must be absorbed by our current level of federal dollars. Because DEW's federal funding is already fully obligated, we do not have funds for salary increases at this level. On a recurring basis, we may be unable to absorb a 5% increase in personnel costs without reducing staff count, which would potentially affect the level and quantity of services DEW provides to the citizens of South Carolina we are committed to providing.</p>	2,309,332.00				2,309,332.00				0.00
3	Recurring	Unemployment Insurance - Integrity	<p>Detecting Unemployment Insurance fraud is critical to preserving the integrity of the Unemployment Insurance program and the trust and well-being of the public. Criminals nationwide are engaging in increasingly sophisticated attempts to obtain benefits illegally. Benefits obtained illegally are paid from South Carolina's Unemployment Insurance Trust Fund, funded by taxes assessed on South Carolina employers. When fraud goes undetected, or fraudulently obtained benefits are not recovered, that cost ultimately is passed onto South Carolina employers. State funds invested in investigating and prosecuting unemployment insurance fraud are funds invested in keeping South Carolina's unemployment insurance tax low for the state's employers while maintaining the integrity of the fund for benefits that serve as a critical bridge to reemployment to participants in South Carolina's labor force that have lost their job through no fault of their own.</p> <p>This request is to fund two positions dedicated to fighting sophisticated fraud and preserving the integrity of the Unemployment Insurance Trust Fund:</p> <ol style="list-style-type: none"> 1. a dedicated inhouse Attorney IV to prosecute fraud within the UI system; and 2. a dedicated Senior Auditor to conduct analysis of DEW's UI system records to identify suspicious activity as well as to analyze financial records of suspects in the course of UI fraud investigations in order to provide evidence at trial 	232,307.00				232,307.00	2.00			2.00
4								0.00				0.00
5								0.00				0.00
6								0.00				0.00
7								0.00				0.00
8								0.00				0.00
9								0.00				0.00
10								0.00				0.00
TOTAL BUDGET REQUESTS				\$ 2,541,639	\$ -	\$ 550,000	\$ -	\$ 3,091,639	2.00	0.00	0.00	2.00

Transportation and Regulatory Subcommittee Proviso Request Summary						
FY 23-24 Proviso #	Renumbered FY 24-25 Proviso #	Proviso Title	Short Summary	FY of Proviso Introduction/ # of years in budget	Recommended Action	Proviso Language
83.5		REED Act Spending Authority	Per requirements set forth in Section 903 (c) (2), SSA, the agency is requesting spending authority necessary to use the proceeds from sale of real properties containing Reed Act equity.	FY 2015-16	Amend	The Department of Employment and Workforce is authorized to expend up to \$2,375,072 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose of funding of Unemployment Insurance, Workforce Innovation and Opportunity Act, and Employment Services Programs. No part of the funds herein authorized may be obligated after a two year period beginning on July 1, 2023 2024. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and as required by law to be charged against the amounts transferred to the account of this State.
83.7		GED Incentive Program	Incentive of \$500 for individuals currently drawing unemployment benefits to obtain their GED or high school diploma.	FY 2021-22	Delete	Unexpended funds for the GED Incentive Program at the Department of Employment and Workforce may be carried forward and expended for the same purposes in the current fiscal year. \$1,500,000 shall be utilized as an incentive for individuals to obtain their GED or high school diploma with an additional incentive if they successfully complete a short-term occupational training provided by a South Carolina technical college. In order to be eligible, the individual must be a South Carolina resident who is at least nineteen years of age. The individual must certify to the department that they do not currently hold a GED or high school diploma from any state. They must also enroll in and complete the GED or high school diploma, and, if applicable, short-term occupational training, course work prior to June 1, 2024. The Department of Employment and Workforce shall enter into a data-sharing agreement with the Department of Education and the State Technical College System to cross match eligibility to ensure that participants do not currently hold a GED or high school diploma and to confirm that the individual enrolled in and completed the diploma process to obtain the GED or high school diploma along with enrollment in and completion of a short-term occupational training. The Department of Employment and Workforce shall issue a one-time payment in the amount of \$500 to the individual upon confirmation from the Department of Education that the individual has successfully received the GED or diploma and an additional \$500 to the individual upon confirmation from the State Technical College System that the individual also successfully completed qualifying occupational training. These incentive payments shall be issued on a first come first served basis based on completion date, until the funds from this program have been exhausted. Funds allocated for this incentive program shall not be transferred or utilized for any other purpose.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83



Fiscal Year FY 2024-2025

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2024-2025, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Shaji Kuriakose	(803) 737-2571	skuriakose@dew.sc.gov
SECONDARY CONTACT:	James Michaelson	(803) 737-0367	jmichaelson@dew.sc.gov

I have reviewed and approved the enclosed FY 2024-2025 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:		

This form must be signed by the agency head – not a delegate.

Agency Name:	Department Of Employment And Workforce
Agency Code:	R600
Section:	83

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	RWA Funding	0	0	550,000	0	550,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	General Increase for DEW's ES, WIOA, UI, & LMI Programs	2,309,332	0	0	0	2,309,332	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Unemployment Insurance - Integrity	232,307	0	0	0	232,307	2.00	0.00	0.00	0.00	2.00
TOTALS			3,302,937	0	750,000	0	4,052,937	4.00	0.00	0.00	12.00	16.00

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	RWA Funding
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$0 Federal: \$0 Other: \$550,000 Total: \$550,000
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input checked="" type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	2.1 Align educational and workforce systems around business and industry priorities
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	DEW
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FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

DEW is requesting \$550,000 in recurring EIA funding to support and enhance the operations of DEW’s Regional Workforce Advisors. The Regional Workforce Advisors (RWAs), created by the Education and Economic Development Act (EEDA) of 2005, were transferred from the SC Department of Commerce to DEW by the Statewide Education and Workforce Development Act (Act No. 67 of 2023). Each of the twelve RWAs serves one of the twelve Workforce Regions within South Carolina.

The RWAs are the agency’s resource to bridge gaps at the local level between those who educate students and those in the business community. State law requires RWAs to facilitate the delivery of information, resources, and services to students and their parents, educators, and employers within our local communities. Each RWA will use these funds to support initiatives tailored to the specific needs of their local area. Each RWA tracks local workforce needs to seek strategic collaboration opportunities and plan events responsive to local needs, demand, and industries. In addition to local initiatives, these funds will support statewide activities such as Boeing Days, SC Days, and other initiatives that bring teachers, administrators, and students together with industry leaders to learn more about the opportunities for those entering South Carolina’s workforce.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	General Increase for DEW's ES, WIOA, UI, & LMI Programs
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$2,309,332 Federal: \$0 Other: \$0 Total: \$2,309,332
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>These funds will help DEW continue its mission without reducing the staff count of its existing federal programs.</p> <p>General Increase for DEW's Federal Program</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	DEW Employees, and Employer Contributions.
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FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The SC Department of Employment and Workforce is asking for consideration for an additional \$2,309,332 in funding from the state's general fund to compensate for the legislated 5% general increase that was given to all FTE positions effective June 2, 2023. As federal grants predominately fund this agency, legislated increases must be absorbed by our current level of federal dollars. Because DEW's federal funding is already fully obligated, we do not have funds for salary increases. Department of Labor released its preliminary funding expectation for federal year 2024, which includes a 5% cut in DEW's UI administrative funding. On a recurring basis, we may be unable to absorb a 5% increase in personnel costs without reducing staff count, which would potentially affect the level and quality of services DEW provides to the citizens of South Carolina we are committed to providing.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Unemployment Insurance - Integrity
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$232,307 Federal: \$0 Other: \$0 Total: \$232,307
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What is the net change in requested appropriations for FY 2024-2025? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	2.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input checked="" type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>These funds would support additional personnel to bolster the agency's fraud detection and prosecution efforts.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

	Two DEW FTEs:
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RECIPIENTS OF FUNDS

- one Attorney IV
- one Senior Auditor

The funds would be allocated once individuals are hired into the positions articulated in this request.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

Detecting Unemployment Insurance fraud is critical to preserving the integrity of the Unemployment Insurance program and the trust and well-being of the public. Criminals nationwide are engaging in increasingly sophisticated attempts to obtain benefits illegally. Benefits obtained illegally are paid from South Carolina’s Unemployment Insurance Trust Fund, funded by taxes assessed on South Carolina employers. When fraud goes undetected, or fraudulently obtained benefits are not recovered, that cost ultimately is passed onto South Carolina employers. State funds invested in investigating and prosecuting unemployment insurance fraud are funds invested in keeping South Carolina’s unemployment insurance tax low for the state’s employers while maintaining the integrity of the fund for benefits that serve as a critical bridge to reemployment to participants in South Carolina’s labor force that have lost their job through no fault of their own.

This request is to fund two positions dedicated to fighting sophisticated fraud and preserving the integrity of the Unemployment Insurance Trust Fund:

1. a dedicated in-house Attorney IV to prosecute fraud within the UI system; and
2. a dedicated Senior Auditor to conduct analysis of DEW’s UI system records to identify suspicious activity as well as to analyze financial records of suspects in the course of UI fraud investigations in order to provide evidence at trial.

Quantity	State Classification	Class Code	Salary (Midpoint)	Fringe (45%)	Total (Salary + Fringe)
1	Attorney IV	AE40	\$ 95,327	\$ 42,897	\$ 138,224
1	Senior Auditor	AN21	\$ 64,885	\$ 29,198	\$ 94,083
					\$232,307

While each state is required and expected to enforce its own unemployment insurance laws, DEW currently depends on grant funding from the U.S. Department of Labor for the program’s administrative costs. Current funding levels are inadequate to fund these new positions on a recurring basis, and this federal funding may soon be cut. The U.S. Department of Labor’s preliminary funding expectation for FY24 includes a 5% cut to DEW’s administrative funding for the Unemployment Insurance program. These positions will allow DEW to aggressively pursue the prosecution of criminals despite cuts in DEW’s federal funding.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM D – PROVISO REVISION REQUEST

NUMBER	83.5
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	REED Act Spending Authority
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	Unemployment Insurance, Employment Service, & WIOA
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

REQUESTED ACTION	Amend
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	None
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Per requirements outlined in Section 903 (c) (2), SSA, the agency is requesting spending authority necessary to use the proceeds from the sale of real properties containing Reed Act equity.</p> <p>Federal law prescribes the allowable uses and procedures to be followed by states when disposing of property containing federal grant equity. Section 903 (c) (2), SSA, requires state appropriation acts to authorize the use of Reed Act funds and specify the purpose of the amount used. This request for \$2,375,072 from potential future sale proceeds will be utilized to fund a portion the agency's UI, WIOA, & Employment Services programs.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

The total requested amount of spending authority was determined based on proceeds from sales already executed, or the potential amount of Reed Act proceeds associated with properties currently listed for sale on state surplus. Up to \$2,375,072 of the funds will be utilized to fund a portion of the agency's UI, WIOA, and Employment Services Programs.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

83.5. (DEW: REED Act Spending Authority)

The Department of Employment and Workforce is authorized to expend up to \$2,375,072 of funds made available to the State under Section 903 of the United States Social Security Act, as amended. The funds must be used under the direction of the Department of Employment and Workforce, for the purpose **of** funding ~~of~~ Unemployment Insurance, Workforce Innovation and Opportunity Act, and Employment Services Programs. No part of the funds herein authorized may be obligated after a two-year period beginning on July 1, ~~2023~~**2024**. The amount obligated pursuant to this provision shall not at any time exceed the amount by which (a) the aggregate of amounts transferred to the accounts of the State pursuant to Section 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for administration and paid out for benefits and as required by law to be charged against the amounts transferred to the account of this State.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM D – PROVISO REVISION REQUEST

NUMBER	83.7
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	GED Incentive Program
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	Workforce Investment Act
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	N/A
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Is this request associated with a budget request you have submitted for FY 2024-2025? If so, cite it here.

REQUESTED ACTION	Delete
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	Department of Education
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>GED Incentive Program – Funds shall be utilized as an incentive for individuals to obtain their GED or high school diploma with an additional incentive if they successfully complete a short-term occupational training provided by a South Carolina technical college.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

The Department shall issue a one-time payment in the amount of \$500 to the individual upon confirmation from the Department of Education that the individual has successfully received the GED or diploma and an additional \$500 to the individual upon confirmation from the State Technical College System that the individual also successfully completed qualifying occupational training. These incentive payments shall be issued on a first come first served basis based on completion date, until the funds from this program have been exhausted.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

PROPOSED PROVISO TEXT

~~83.7. (DEW: GED Incentive Program)~~

~~Unexpended funds for the GED Incentive Program at the Department of Employment and Workforce may be carried forward and expended for the same purposes in the current fiscal year. \$1,500,000 shall be utilized as an incentive for individuals to obtain their GED or high school diploma with an additional incentive if they successfully complete a short-term occupational training provided by a South Carolina technical college. In order to be eligible, the individual must be a South Carolina resident who is at least nineteen years of age. The individual must certify to the department that they do not currently hold a GED or high school diploma from any state. They must also enroll in and complete the GED or high school diploma, and, if applicable, short-term occupational training, course work prior to June 1, 2024. The Department of Employment and Workforce shall enter into a data-sharing agreement with the Department of Education and the State Technical College System to cross match eligibility to ensure that participants do not currently hold a GED or high school diploma and to confirm that the individual enrolled in and completed the diploma process to obtain the GED or high school diploma along with enrollment in and completion of a short-term occupational training. The Department of Employment and Workforce shall issue a one time payment in the amount of \$500 to the individual upon confirmation from the Department of Education that the individual has successfully received the GED or diploma and an additional \$500 to the individual upon confirmation from the State Technical College System that the individual also successfully completed qualifying occupational training. These incentive payments shall be issued on a first come first served basis based on completion date, until the funds from this program have been exhausted. Funds allocated for this incentive program shall not be transferred or utilized for any other purpose.~~

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

DEW will re-evaluate current contracts, future travel, and other spending plans to implement a cost-saving plan. Any savings from implementing a reevaluation would be utilized in an investment into a new strategic initiative within the agency.

**AGENCY COST
SAVINGS PLANS**

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

Agency Name:	Department Of Employment And Workforce		
Agency Code:	R600	Section:	83

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Continuous Improvement of the Modernized Benefits and Tax Systems of DEW.
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	This improvement system focuses on accessibility and equity in the provision of the benefits paid to citizens and taxes assessed & collected from employers. DEW is committed to improving the user experience by reducing barriers in the application and information filing processes.
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	<p>Mark "X" for all that apply:</p> <table border="1"> <tr> <td style="background-color: #cccccc;"><input checked="" type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td style="background-color: #cccccc;"><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td style="background-color: #cccccc;"><input checked="" type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td style="background-color: #cccccc;"><input type="checkbox"/></td> <td>Other</td> </tr> </table>	<input checked="" type="checkbox"/>	Repeal or revision of regulations.	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input type="checkbox"/>	Other
<input checked="" type="checkbox"/>	Repeal or revision of regulations.								
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input type="checkbox"/>	Other								

METHOD OF CALCULATION	Streamlined access and interaction save time and efforts of citizens and employees at DEW.
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	Fines and fees are not a significant part of DEW's employer tax program. However, state statute does prescribe certain penalties for delinquent payment of contributions and wage reports. In June 2022, Act No. 229 of 2022 enacted one of DEW's key legislative recommendations in the 2021 Management & Trust Fund Review Report: relief for employers placed into Tax Class 20, the state's highest, due to a delinquent wage report. Section 2 of Act No. 229 of 2022 amends Section 41-31-60(A) of the South Carolina Code of Laws to allow for relief of the penalty rate for delinquent reports once the delinquent reports are submitted. Upon passage of the act, DEW implemented its provisions to provide relief beginning with Q2 2022 for employers that had submitted all delinquent reports. Enactment of this amendment pursuant to DEW's legislative recommendation substantially reduced the burden on South Carolina employers that have been placed in Tax Class 20 due to a delinquent report pursuant to Section 41-31-60(A).
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	DEW amended five regulations in 2023 but no amendments are planned for 2024.
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

REDUCTION OF REGULATION	<p>DEW continues to evaluate its systems to provide a better user experience for businesses and citizens. DEW revised processes and procedures, including five regulations, in FY23 to offer the public easier, streamlined ways to interact with the agency as well as additional flexibility.</p> <ul style="list-style-type: none"> • Regulation 47-55 was amended to give the business community additional flexibility for representation in hearings before an Appeal Tribunal or the Appellate Panel. While previously businesses needed to be represented by an attorney, this amendment now also allows a partnership, corporation, association, or limited liability company to be represented by a member, partner, officer, or employee thereof in both benefit and tax proceedings. In tax proceedings, this amendment also gives these entities the option to be represented by a CPA. • Regulation 47-23, Offers of Work, was amended to clarify that offers of work may be made electronically and to replace a certification requirement with a provision allowing DEW to evaluate competent evidence from the employer that an offer of available, suitable work was made to a claimant. • DEW's online employer portal was updated to allow employers to make changes to filings and view individual claim status without having to call or mail the agency for
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SUMMARY

- assistance.
- DEW streamlined the process for third-party agents to register clients by introducing a single MOU covering all clients instead of Power of Attorney forms being required for each individual client.
- Enhancements were made to the online lien registry to make it easier to search and identify debts.

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?