

# Department of Labor and Regulation

## Fiscal Year 2026 Budget Brief Detail

Information contained in this document is based on the Governor's FY2026 Budget and may not correspond with the final budget adopted by the Legislature.

### Major Items Summary - Department of Labor and Regulation

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$3,691,488</b>	<b>\$34,853,769</b>	<b>\$21,561,344</b>	<b>\$60,106,601</b>	<b>406.6</b>	<b>\$3,691,488</b>	<b>\$34,853,769</b>	<b>\$21,561,344</b>	<b>\$60,106,601</b>	<b>406.6</b>
1. Abstracters Management Consultant, Central Services, and Freight Costs	\$0	\$0	\$2,978	\$2,978	0.0	\$0	\$0	\$2,978	\$2,978	0.0
2. Abstracters Travel Inflation	\$0	\$0	\$4,378	\$4,378	0.0	\$0	\$0	\$4,378	\$4,378	0.0
3. Accountancy Computer System Maintenance	\$0	\$0	\$10,000	\$10,000	0.0	\$0	\$0	\$10,000	\$10,000	0.0
4. Accountancy CPA Exam Costs	\$0	\$0	\$11,000	\$11,000	0.0	\$0	\$0	\$11,000	\$11,000	0.0
5. Accountancy Credit Card Transaction Fees	\$0	\$0	\$4,000	\$4,000	0.0	\$0	\$0	\$4,000	\$4,000	0.0
6. Accountancy Sioux Falls One Stop	\$0	\$0	\$23,708	\$23,708	0.0	\$0	\$0	\$27,496	\$27,496	0.0
7. Accountancy Travel and Lodging Inflation	\$0	\$0	\$7,600	\$7,600	0.0	\$0	\$0	\$7,600	\$7,600	0.0
8. Adult Education and Literacy Provider Inflation	\$63,161	\$0	\$0	\$63,161	0.0	\$32,896	\$0	\$0	\$32,896	0.0
9. Athletic Commission Management and Administration	\$0	\$0	\$13,000	\$13,000	0.0	\$0	\$0	\$13,000	\$13,000	0.0
10. Barber Examiners Rent Increase	\$0	\$0	\$1,800	\$1,800	0.0	\$0	\$0	\$1,800	\$1,800	0.0
11. Barbers Access Database	\$0	\$0	\$10,000	\$10,000	0.0	\$0	\$0	\$10,000	\$10,000	0.0
12. Barbers Insurance and Central Services Inflation	\$0	\$0	\$3,100	\$3,100	0.0	\$0	\$0	\$3,100	\$3,100	0.0
13. Barbers Office Supply and Postage Inflation	\$0	\$0	\$500	\$500	0.0	\$0	\$0	\$500	\$500	0.0
14. Barbers Part-Time Inspector 0.2 FTE	\$0	\$0	\$38,989	\$38,989	0.2	\$0	\$0	\$38,989	\$38,989	0.2
15. Computer Software Lease for a Registered Apprenticeship Management Information System maintenance	\$50,000	\$0	\$0	\$50,000	0.0	\$0	\$0	\$0	\$0	0.0
16. Cosmetology Access Database Replacement	\$0	\$0	\$78,000	\$78,000	0.0	\$0	\$0	\$78,000	\$78,000	0.0
17. Cosmetology Office Supply and Postage Costs	\$0	\$0	(\$4,000)	(\$4,000)	0.0	\$0	\$0	(\$4,000)	(\$4,000)	0.0
18. Division of Banking Salary Schedule	\$0	\$0	\$646,640	\$646,640	0.0	\$0	\$0	\$646,640	\$646,640	0.0
19. Eliminate Career Ready Program	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$600,000)	(\$600,000)	(6.0)
20. Insurance Premiums Inflation	\$0	\$0	\$19,622	\$19,622	0.0	\$0	\$0	\$19,622	\$19,622	0.0
21. Maintenance Worker FTE	\$0	(\$76,689)	\$0	(\$76,689)	(1.0)	\$0	(\$76,689)	\$0	(\$76,689)	(1.0)

22. Part-Time Cosmetology Commission FTE	\$0	\$0	\$16,564	\$16,564	0.3	\$0	\$0	\$16,564	\$16,564	0.3
23. Plumbing Inspector FTE	\$0	\$0	\$128,349	\$128,349	1.0	\$0	\$0	\$128,349	\$128,349	1.0
24. Policy/Data Analyst FTE	\$0	\$0	\$91,935	\$91,935	1.0	\$0	\$0	\$91,935	\$91,935	1.0
25. Real Estate Commission Employees Shared Employees Shift	\$0	\$0	\$46,608	\$46,608	0.6	\$0	\$0	\$46,608	\$46,608	0.6
26. Reinsurance Premiums	\$0	\$0	\$53,200	\$53,200	0.0	\$0	\$0	\$53,200	\$53,200	0.0
27. Sioux Falls One Stop	\$317,779	\$0	\$331,124	\$648,903	0.0	\$365,193	\$0	\$368,440	\$733,633	0.0
28. State Apprenticeship Agency	\$3,018,952	\$0	(\$2,528,732)	\$490,220	5.0	\$0	\$0	\$0	\$0	0.0
29. State Digital Equity Capacity Grant Program	\$0	\$850,000	\$0	\$850,000	0.0	\$0	\$850,000	\$0	\$850,000	0.0
30. State Digital Equity Capacity Grant Program FTE	\$0	\$114,753	\$0	\$114,753	1.0	\$0	\$114,753	\$0	\$114,753	1.0
31. Trust Examiner FTE	\$0	\$0	\$237,164	\$237,164	2.0	\$0	\$0	\$237,164	\$237,164	2.0
<b>FY 2026 Total Budget</b>	<b>\$7,141,380</b>	<b>\$35,741,833</b>	<b>\$20,808,871</b>	<b>\$63,692,084</b>	<b>416.7</b>	<b>\$4,089,577</b>	<b>\$35,741,833</b>	<b>\$22,778,707</b>	<b>\$62,610,117</b>	<b>405.7</b>
Change from Base Budget	\$3,449,892	\$888,064	(\$752,473)	\$3,585,483	10.1	\$398,089	\$888,064	\$1,217,363	\$2,503,516	(0.9)
% Change from Base Budget	93.5%	2.5%	(3.5%)	6.0%	2.5%	10.8%	2.5%	5.6%	4.2%	(0.2%)

Department of Labor and Regulation Budget Request

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$2,985,052	\$3,415,144	\$3,415,144	\$3,691,488	\$7,141,380	\$4,089,577	\$398,089
Federal	\$31,938,102	\$32,951,686	\$37,270,791	\$34,853,769	\$35,741,833	\$35,741,833	\$888,064
Other	\$13,622,928	\$19,410,050	\$20,492,256	\$21,561,344	\$20,808,871	\$22,778,707	\$1,217,363
<b>Total</b>	<b>\$48,546,082</b>	<b>\$55,776,880</b>	<b>\$61,178,191</b>	<b>\$60,106,601</b>	<b>\$63,692,084</b>	<b>\$62,610,117</b>	<b>\$2,503,516</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Secretariat Administration	\$12,732,256	\$15,049,493	\$16,674,967	\$17,303,216	\$19,306,985	\$18,234,759	\$931,543
Reemployment Assistance	\$8,047,950	\$8,480,557	\$9,159,731	\$9,022,541	\$9,022,541	\$9,022,541	\$0
Job Service	\$13,291,414	\$14,335,740	\$16,208,764	\$14,303,031	\$14,108,486	\$14,057,641	(\$245,390)
State Labor Law Administration	\$1,308,001	\$1,654,234	\$1,937,684	\$1,988,504	\$1,988,504	\$1,988,504	\$0
Board of Accountancy - Info	\$315,065	\$384,576	\$385,410	\$407,977	\$464,285	\$468,073	\$60,096
Board of Barber Examiners - Info	\$27,002	\$40,202	\$28,748	\$33,146	\$87,535	\$87,535	\$54,389
Cosmetology Commission - Info	\$376,037	\$431,360	\$447,118	\$481,958	\$572,522	\$572,522	\$90,564

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Plumbing Commission - Info	\$896,849	\$912,906	\$937,747	\$1,072,768	\$1,201,117	\$1,201,117	\$128,349
Board of Technical Professions - Info	\$391,310	\$546,342	\$423,298	\$607,674	\$607,674	\$607,674	\$0
Electrical Commission - Info	\$2,207,175	\$2,431,738	\$2,580,680	\$2,789,644	\$2,789,644	\$2,789,644	\$0
Real Estate Commission - Info	\$355,569	\$440,480	\$681,124	\$709,653	\$756,261	\$756,261	\$46,608
Abstracters Bd of Examiners - Info	\$46,650	\$50,808	\$57,483	\$62,035	\$69,391	\$69,391	\$7,356
South Dakota Athletic Commission - Info	\$47,126	\$44,701	\$61,127	\$65,805	\$78,805	\$78,805	\$13,000
Banking	\$4,918,951	\$6,388,249	\$6,587,965	\$6,144,665	\$7,471,150	\$7,508,466	\$1,363,801
Trust Captive Insurance Company - Info	\$197,083	\$212,460	\$227,334	\$207,578	\$260,778	\$260,778	\$53,200
Insurance	\$3,387,646	\$4,373,036	\$4,779,011	\$4,906,406	\$4,906,406	\$4,906,406	\$0
<b>Total</b>	<b>\$48,546,082</b>	<b>\$55,776,880</b>	<b>\$61,178,191</b>	<b>\$60,106,601</b>	<b>\$63,692,084</b>	<b>\$62,610,117</b>	<b>\$2,503,516</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$30,959,149</b>	<b>\$34,699,874</b>	<b>\$36,948,714</b>	<b>\$36,817,620</b>	<b>\$38,398,137</b>	<b>\$37,436,479</b>	<b>\$618,859</b>
Salaries	\$23,676,802	\$26,683,601	\$27,677,794	\$28,142,328	\$29,389,136	\$28,656,597	\$514,269
Benefits	\$7,282,347	\$8,016,273	\$9,270,920	\$8,675,292	\$9,009,001	\$8,779,882	\$104,590
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$17,586,934</b>	<b>\$21,077,006</b>	<b>\$24,674,477</b>	<b>\$23,288,981</b>	<b>\$25,293,947</b>	<b>\$25,173,638</b>	<b>\$1,884,657</b>
Travel	\$970,373	\$960,638	\$1,331,679	\$1,350,557	\$1,463,390	\$1,392,278	\$41,721
Contractual Services	\$8,895,114	\$12,598,049	\$14,381,926	\$13,044,067	\$14,356,753	\$14,280,707	\$1,236,640
Supplies	\$614,655	\$688,839	\$761,373	\$699,548	\$700,448	\$672,948	(\$26,600)
Grants	\$6,163,793	\$4,967,612	\$6,340,423	\$7,735,943	\$8,264,104	\$8,368,839	\$632,896
Capital Outlay	\$864,432	\$1,778,134	\$1,793,490	\$363,852	\$363,852	\$363,852	\$0
Other Expenses and Budgeted Operating Transfers Out	\$78,566	\$83,734	\$65,586	\$95,014	\$145,400	\$95,014	\$0
<b>Total</b>	<b>\$48,546,082</b>	<b>\$55,776,880</b>	<b>\$61,623,191</b>	<b>\$60,106,601</b>	<b>\$63,692,084</b>	<b>\$62,610,117</b>	<b>\$2,503,516</b>
<b>Full-Time Equivalent (FTE)</b>	<b>406.51</b>	<b>413.05</b>	<b>441.0</b>	<b>406.6</b>	<b>416.7</b>	<b>405.7</b>	<b>(0.9)</b>

## Reversions and Unutilized FTE (10)

	General	Federal	Other
Original Appropriation FY2024	\$3,060,227	\$35,315,613	\$15,419,718
Pool Distributions	\$231,892	\$3,144,380	\$1,306,164
Supplemental Changes	\$109,470	(\$1,110,811)	\$2,770,606
Agency Adjustments	\$13,555	\$783,609	\$133,768
Transfers	\$0	(\$862,000)	\$862,000
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$3,415,144	\$37,270,791	\$20,492,256
FY2024 Expenditures	\$3,415,144	\$32,951,686	\$19,410,050
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$4,319,105</b>	<b>\$1,082,206</b>
<b>Unutilized FTE</b>			<b>28.0</b>

## Administration, Secretary of Labor (1001)

The mission is to improve the administration of and provide centralized support services for the Department of Labor and Regulation's programs and occupational licensing boards and commissions; to develop a skilled workforce through job training and employment services; to collect, analyze and provide labor market information; to certify, license, and register real estate appraisers; and to provide integrated financial, legal, and public affairs support across the department.

### Major Items Summary: Administration, Secretary of Labor (1001)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$1,555,819</b>	<b>\$13,224,173</b>	<b>\$2,523,224</b>	<b>\$17,303,216</b>	<b>52.7</b>	<b>\$1,555,819</b>	<b>\$13,224,173</b>	<b>\$2,523,224</b>	<b>\$17,303,216</b>	<b>52.7</b>
1. Adult Education and Literacy Provider Inflation	\$63,161	\$0	\$0	\$63,161	0.0	\$32,896	\$0	\$0	\$32,896	0.0
2. Computer Software Lease for a Registered Apprenticeship Management Information System maintenance	\$50,000	\$0	\$0	\$50,000	0.0	\$0	\$0	\$0	\$0	0.0
3. Eliminate Career Ready Program	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$66,106)	(\$66,106)	0.0
4. State Apprenticeship Agency	\$3,018,952	\$0	(\$2,093,097)	\$925,855	10.0	\$0	\$0	\$0	\$0	0.0
5. State Digital Equity Capacity Grant Program	\$0	\$850,000	\$0	\$850,000	0.0	\$0	\$850,000	\$0	\$850,000	0.0
6. State Digital Equity Capacity Grant Program FTE	\$0	\$114,753	\$0	\$114,753	1.0	\$0	\$114,753	\$0	\$114,753	1.0
<b>FY 2026 Total Budget</b>	<b>\$4,687,932</b>	<b>\$14,188,926</b>	<b>\$430,127</b>	<b>\$19,306,985</b>	<b>63.7</b>	<b>\$1,588,715</b>	<b>\$14,188,926</b>	<b>\$2,457,118</b>	<b>\$18,234,759</b>	<b>53.7</b>
Change from Base Budget	\$3,132,113	\$964,753	(\$2,093,097)	\$2,003,769	11.0	\$32,896	\$964,753	(\$66,106)	\$931,543	1.0
% Change from Base Budget	201.3%	7.3%	(83.0%)	11.6%	20.9%	2.1%	7.3%	(2.6%)	5.4%	1.9%

#### 1. Adult Education and Literacy Provider Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$63,161	\$0	\$0	\$63,161	0.00
Governor's Recommendation	\$32,896	\$0	\$0	\$32,896	0.00

The agency requests an increase of **\$63,161** in **general funds** for an estimated inflationary increase to Adult Education and Literacy providers. The federal grant did not increase, so inflation increase is requested to be funded with general funds.

The agency requested a 2.4% increase and the governor recommended a 1.25% increase.

*The governor recommends an increase of **\$32,896** in **general funds**.*

2. Computer Software Lease for a Registered Apprenticeship Management Information System maintenance

	General	Federal	Other	Total	FTE
Agency Request	\$50,000	\$0	\$0	\$50,000	0.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of \$50,000 in general funds for a Registered Apprenticeship Management Information System used to register and track all apprentice programs in the state.

The governor does not recommend this request.

3. Eliminate Career Ready Program

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	(\$66,106)	(\$66,106)	0.00

The governor recommends a decrease of (\$600,000) in other fund expenditure authority and a decrease of (6.0) FTE for the elimination of Career Ready.

Career Ready is funded with a general fund grant from the Department of Education. This activity isn't required in statute and is not utilized by all school districts in the State, so it was determined to remove this funding for the FY2026 budget.

4. State Apprenticeship Agency

	General	Federal	Other	Total	FTE
Agency Request	\$3,018,952	\$0	(\$2,093,097)	\$925,855	10.00
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$3,018,952** in **general funds**, a decrease of **(\$2,528,732)** in **other fund** expenditure authority and an increase of **5.0** FTE for covering State Apprenticeship Agency expenses.

DLR is no longer seeking general funds and will instead continue to use Governor Noem’s 2023 Future Funds award to cover expenses as DLR transitions to State Apprenticeship Agency status.

South Dakota DLR is seeking State Apprenticeship Agency (SAA) status with the U.S. Department of Labor (U.S. DOL), Office of Apprenticeship. South Dakota is currently an Office of Apprenticeship state where all Registered Apprenticeship programs and apprentices are regulated by U.S. DOL. Thirty-three states and territories have become State Apprenticeship Agencies in the United States. By establishing South Dakota as a State Apprenticeship Agency, the state will take over the regulation of apprenticeships from U.S. DOL.

This will benefit South Dakota in several ways:

- While the state will remain in compliance with federal regulations, SAA status reduces federal oversight over registered apprenticeship programs in SD,
- Decreases reliance on federal agencies,
- Streamlines services to sponsors, businesses, and apprentices, therefore decreasing confusion - Shortens the timeline of apprenticeship program approval, and
- Has South Dakota staff proactively providing technical assistance to SD employers and apprentices.

Salaries & Benefits:

- Increase of 5.0 FTE, a reduction of \$170,507 in other fund expenditure authority, and an increase of \$980,226 in general funds. This is shifting 2 FTE from Secretariat and 5 FTE from Job Service from other fund expenditure authority to general funds, all within the Secretariat division.
- Adding the following 5 positions to be funded with general funds: 1 Registered Apprenticeship Administrator, 1 Labor Program Specialist II, Labor Program Specialist I, and two Apprenticeship Coordinators.
- Per diem for 6 board members for the State Apprenticeship Council formed as part of becoming a SAA. It is anticipated this Council will meet in person at least two times per year.

Travel:

- Increase of \$54,612 in general funds and decrease of \$2,000 in other fund expenditure authority for employee travel.

Contractual Services:

- Increase of \$700,000 in general funds with a corresponding decrease of \$875,000 in other fund expenditure authority in Other Consulting is for registered apprenticeship intermediaries.
- Increase of \$300,000 in general funds with a corresponding decrease of \$100,000 in other fund expenditure authority in Other Consulting for registered apprenticeship program development and expansion contracts.

- Increase of \$50,000 in general funds in Computer Software Lease for a Registered Apprenticeship (RA) Management Information System (MIS) maintenance.
- Increase of \$15,700 in general funds for Computer Services-State for Bureau of Information and Telecommunications maintenance requirements of the RA MIS.
- Increase of \$25,000 in general funds with a corresponding decrease in other fund expenditure authority in advertising consultant is for a marketing consultant to provide market research, strategy, development, production, associated new media components, web hosting, and creative services for the DLR to promote and increase awareness of RAP opportunities.
- Increases totaling \$122,028 in general funds with a corresponding decrease of \$19,590 in other fund expenditure authority is for operating expenses of employees (workshop fees, computer services, central services, office space, phone, and liability insurance coverage).

#### **Supplies:**

- Increase in \$6,000 in general funds with a corresponding decrease of \$1,000 in other fund expenditure authority in office supplies is for the staff working on SAA.

#### **Grants:**

- Increase in \$765,000 in general funds with a \$900,000 decrease in other fund expenditure authority is to for financial assistance for apprentices. Financial assistance is provided to support training of apprentices including on the job learning reimbursement, related instruction reimbursement, and supportive services to apprentices.

All financial support (prior to Governor Noem Future Funds) for Registered Apprenticeships has been from federal grants, which are competitive, and require the state to meet goals aligned with federal government priorities.

- SD would not be reliant on competitive federal funding with federal goals and requirements that do not always align in South Dakota
- Provides an alternative post-secondary option for businesses to build their workforce and South Dakotans to advance their career opportunities

#### **Other Expenses:**

- Increase of \$50,386 in general funds for the indirect cost assessment related to generally funded staff increases.

*The governor does not recommend this request.*

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5. State Digital Equity Capacity Grant Program

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$850,000	\$0	\$850,000	0.00
Governor's Recommendation	\$0	\$850,000	\$0	\$850,000	0.00

The agency requests an increase of **\$850,000** in **federal funds** for administering the State Digital Equity Capacity Grant Program.

The Department of Labor and Regulation (DLR) is receiving a 5-year, \$5 million grant from the U.S. Department of Commerce. These funds are to establish Digital Centers across the state to assist citizens with accessing devices and developing digital skills. Additionally, a device refurbisher will be sought to offer reduced price devices. Devices will be distributed to those who complete a digital literacy curriculum.

- \$250,000 in federal fund expenditure authority for a device refurbisher in South Dakota.
- This refurbisher will offer reduced price devices to increase ownership. The refurbisher will work with Digital Centers to provide devices to those who complete the digital literacy curriculum. Establishing device refurbishment options creates sustainable, affordable ownership options long into the future.
- \$600,000 in federal fund expenditure authority in Grants to Subrecipients for the formation of four Digital Centers across the State.
- These Digital Centers will serve as physical locations where individuals can go to receive a variety of services such as access to digital literacy curriculum, device assistance, and enrollment into internet subsidy programs. These centers will also serve as centralized points for device distribution from a tech refurbisher.

This is a new grant to DLR. Locations for Digital Centers have yet to be determined as the agency is sending out requests for proposals.

*The governor recommends this request.*

6. State Digital Equity Capacity Grant Program FTE

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$114,753	\$0	\$114,753	1.00
Governor's Recommendation	\$0	\$114,753	\$0	\$114,753	1.00

The agency requests an increase of **\$114,753** in **federal funds** and an increase of **1.0** FTE for a Labor Program Specialist II working on the State Digital Equity Grant Program.

- \$87,184 in federal fund expenditure authority for a Labor Program Specialist II.
- The Labor Program Specialist II will be responsible for completing required grant reporting; procuring funds through the request for proposal process and awarding contracts and sub-recipient agreements; preparing for, and supporting, any activities related to grant monitoring, audit or compliance requests; and compiling, reconciling, and managing the submission of subgrantee reports and documents.
- \$17,000 for Labor Program Specialist II and Workforce Development Director travel.
- Both positions will attend the out-of-state conferences: national NDIA Net Inclusion conference annually, the SBLN Summer Summit, and State Digital Equity Cohort workshop. In-state travel is needed to conduct subrecipient site visits, hold stakeholder engagement sessions, and attend conferences in partnership with stakeholders.
- \$10,069 for contractual expenses related to the Labor Program Specialist II position.
- \$500 for supply expenses related to the Labor Program Specialist II position.

The governor recommends an increase of **\$114,753** in **federal funds**.

Reversions and Unutilized FTE (1001)

	General	Federal	Other
Original Appropriation FY2024	\$1,453,792	\$11,806,053	\$318,281
Pool Distributions	\$19,209	\$631,676	\$33,845
Supplemental Changes	\$0	\$550,000	\$2,081,618
Agency Adjustments	\$1,320	\$176,704	\$2,469
Transfers	\$0	(\$562,000)	\$162,000
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$1,474,321	\$12,602,433	\$2,598,213
FY2024 Expenditures	\$1,474,321	\$11,177,669	\$2,397,503
Reversion of Authority	\$0	\$1,424,764	\$200,710
Unutilized FTE			(0.5)

Budget Request: Administration, Secretary of Labor (1001)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$1,377,922	\$1,474,321	\$1,474,321	\$1,555,819	\$4,687,932	\$1,588,715	\$32,896
Federal	\$11,091,390	\$11,177,669	\$12,602,433	\$13,224,173	\$14,188,926	\$14,188,926	\$964,753
Other	\$262,944	\$2,397,503	\$2,598,213	\$2,523,224	\$430,127	\$2,457,118	(\$66,106)
<b>Total</b>	<b>\$12,732,256</b>	<b>\$15,049,493</b>	<b>\$16,674,967</b>	<b>\$17,303,216</b>	<b>\$19,306,985</b>	<b>\$18,234,759</b>	<b>\$931,543</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Secretariat Administration	\$12,732,256	\$15,049,493	\$16,674,967	\$17,303,216	\$19,306,985	\$18,234,759	\$931,543
<b>Total</b>	<b>\$12,732,256</b>	<b>\$15,049,493</b>	<b>\$16,674,967</b>	<b>\$17,303,216</b>	<b>\$19,306,985</b>	<b>\$18,234,759</b>	<b>\$931,543</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$4,072,652</b>	<b>\$4,763,437</b>	<b>\$4,930,865</b>	<b>\$4,939,085</b>	<b>\$5,835,988</b>	<b>\$5,005,969</b>	<b>\$66,884</b>
Salaries	\$3,149,326	\$3,691,056	\$3,769,047	\$3,853,419	\$4,485,534	\$3,866,114	\$12,695
Benefits	\$923,326	\$1,072,381	\$1,161,818	\$1,085,666	\$1,350,454	\$1,139,855	\$54,189
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$8,659,604</b>	<b>\$10,286,056</b>	<b>\$11,744,102</b>	<b>\$12,364,131</b>	<b>\$13,470,997</b>	<b>\$13,228,790</b>	<b>\$864,659</b>
Travel	\$117,441	\$181,069	\$188,257	\$196,003	\$265,615	\$212,003	\$16,000
Contractual Services	\$2,085,995	\$4,618,483	\$4,908,974	\$4,200,365	\$4,653,572	\$4,440,628	\$240,263
Supplies	\$138,950	\$189,808	\$157,544	\$144,744	\$150,244	\$120,244	(\$24,500)
Grants	\$6,163,793	\$4,903,418	\$6,317,381	\$7,642,901	\$8,171,062	\$8,275,797	\$632,896
Capital Outlay	\$131,878	\$385,357	\$169,359	\$169,359	\$169,359	\$169,359	\$0
Other Expenses and Budgeted Operating Transfers Out	\$21,546	\$7,922	\$2,587	\$10,759	\$61,145	\$10,759	\$0
<b>Total</b>	<b>\$12,732,256</b>	<b>\$15,049,493</b>	<b>\$16,674,967</b>	<b>\$17,303,216</b>	<b>\$19,306,985</b>	<b>\$18,234,759</b>	<b>\$931,543</b>
<b>Full-Time Equivalent (FTE)</b>	<b>51.71</b>	<b>53.06</b>	<b>52.6</b>	<b>52.7</b>	<b>63.7</b>	<b>53.7</b>	<b>1.0</b>

## Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
EMPLOYMENT SECURITY ADMIN FUND	\$0	\$964,753	\$0	0.0%	6.8%	0.0%
STATE GENERAL FUND	\$276,004	\$0	\$0	17.4%	0.0%	0.0%
INDIRECT COSTS	\$0	\$3,002,255	\$0	0.0%	21.2%	0.0%
TANF-TEMP. ASSISTANCE FOR NEED	\$0	\$124,375	\$0	0.0%	0.9%	0.0%
NURSING PATHWAY	\$0	\$15,282	\$0	0.0%	0.1%	0.0%
TAA-TRADE ACT ASSISTANCE	\$0	\$104,134	\$0	0.0%	0.7%	0.0%
CES-LABOR MKT INFO	\$0	\$44,706	\$0	0.0%	0.3%	0.0%
LAUS-LABOR MARKET INFO	\$0	\$103,000	\$0	0.0%	0.7%	0.0%
OES-LABOR MARKET INFO	\$0	\$126,200	\$0	0.0%	0.9%	0.0%
QCEW LABOR MARKET INFO	\$0	\$120,384	\$0	0.0%	0.8%	0.0%
FIDELITY BONDING DEMONSTRATION	\$0	\$25,000	\$0	0.0%	0.2%	0.0%
ALIEN LABOR CERT(ALC)-AGRICULT	\$0	\$52,151	\$0	0.0%	0.4%	0.0%
WORK OPPORTUNITIES TAX CREDIT	\$0	\$29,866	\$0	0.0%	0.2%	0.0%
LOCAL VETERANS EMPLOYMENT REPR	\$0	\$99,877	\$0	0.0%	0.7%	0.0%
EMPLOYMENT SERVICE BASIC (ES)	\$0	\$1,508,095	\$0	0.0%	10.6%	0.0%
UNEMPLOYMENT INSURANCE ADMIN.	\$0	\$14,472	\$0	0.0%	0.1%	0.0%
ONE STOP WIG-LMI	\$0	\$251,860	\$0	0.0%	1.8%	0.0%
SENIOR COMMUNITY SERVICES EMPL	\$0	\$466,078	\$0	0.0%	3.3%	0.0%
APPRENTICESHIP USA EXPANSION G	\$0	\$917,454	\$0	0.0%	6.5%	0.0%
ADULT BASIC EDUCATION	\$1,312,711	\$1,530,133	\$0	82.6%	10.8%	0.0%
DLR ADMINISTRATION	\$0	\$0	\$2,093,097	0.0%	0.0%	85.2%
NEG-DISLOCATED WORKER TRAINING	\$0	\$1,188,501	\$0	0.0%	8.4%	0.0%
STATE APPRAISER REG AGENCY SUP	\$0	\$100,000	\$0	0.0%	0.7%	0.0%
REEMPLOYMENT SRVCS & ELIG ASSE	\$0	\$83,673	\$0	0.0%	0.6%	0.0%
REAL ESTATE APPRAISERS FUND	\$0	\$0	\$339,304	0.0%	0.0%	13.8%
APPRAISAL MANAGEMENT COMPANIES	\$0	\$0	\$24,717	0.0%	0.0%	1.0%
FOOD STAMPS EMPLOYMENT & TRAIN	\$0	\$19,275	\$0	0.0%	0.1%	0.0%
WIOA ADULT PROGRAM	\$0	\$739,007	\$0	0.0%	5.2%	0.0%
UI-ALT TRADE WAGE INSURANCE	\$0	\$150,000	\$0	0.0%	1.1%	0.0%
WIOA YOUTH ACTIVITIES	\$0	\$1,468,957	\$0	0.0%	10.4%	0.0%
WIOA DISLOCATED WORKERS	\$0	\$304,317	\$0	0.0%	2.1%	0.0%
WIOA ADMINISTRATIVE COST POOL	\$0	\$312,313	\$0	0.0%	2.2%	0.0%
WIOA STATEWIDE ACTIVITIES	\$0	\$322,808	\$0	0.0%	2.3%	0.0%

## Revenues and Statistics: Administration, Secretary of Labor (1001)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Appraiser Certification:				
New Application Fees	\$6,545	\$6,250	\$7,000	\$7,000
Renewal Fees	\$142,675	\$146,080	\$148,000	\$148,000
Investment Council Interest	\$2,543	\$6,491	\$7,000	\$7,000
Risk Retention Group Lic	\$550			
Reciprocity Fees	\$15,075	\$13,400	\$15,000	\$15,000
Temporary Fees	\$21,800	\$16,200	\$17,000	\$17,000
Penalty/Discipline Fees	\$525		\$262	\$262
Course Fees	\$4,750	\$7,710	\$8,000	\$8,000
Penalty/Renewals	\$150	\$775	\$800	\$800
7 hour USPAP Course Penalty		\$1,600	\$1,800	\$1,800
Supervisor Applications	\$600	\$450	\$500	\$500
Supervisor Renewal	\$5,700	\$5,700	\$6,000	\$6,000
Supervisor Renewal Late Fee				
Assessed Cost (Misc)	\$21	\$1,108	\$1,200	\$1,200
Upgrade Application	\$3,250	\$2,525	\$2,700	\$2,700
Appraisal Management Fund				
New Application Fees	\$9,000	\$6,000	\$6,000	\$6,000
License Renewal Fees	\$60,000	\$54,750	\$55,000	\$55,000
Late Renewal Fees	\$25	\$50	\$50	\$50
Investment Council Interest	\$2,649	\$7,073	\$7,100	\$7,100
Monetary Penalty				
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Appraisers--New/Renewed Licenses	40/447	47/375	44/411	44/411
Complaints Received (Appraisers)	4	4	4	4
Upgrade/New Application Reviews	9/15	3/66	6/40	6/40
Midway Review		2	3	5
Reciprocity/Temporary	26/108	34/84	35/85	35/85
Course Applications	96	76	80	80
Supervisor (New/Renewed)	4/57	59	60	60
Appraisal Management new applications	10	5	8	8
Appraisal Management renewals	77	72	75	75

## Reemployment Assistance (1004)

The mission is to provide economic support to workers and protect the interest of workers and businesses by determining Reemployment Assistance eligibility and liability, collecting taxes, making payments and ensuring compliance all through exceptional service.

## Reversions and Unutilized FTE (1004)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$9,078,968	\$0
Pool Distributions	\$0	\$817,627	\$0
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$263,136	\$0
Transfers	\$0	(\$1,000,000)	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$9,159,731	\$0
FY2024 Expenditures	\$0	\$8,480,557	\$0
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$679,174</b>	<b>\$0</b>
<b>Unutilized FTE</b>			<b>2.1</b>

## Budget Request: Reemployment Assistance (1004)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$8,047,950	\$8,480,557	\$9,159,731	\$9,022,541	\$9,022,541	\$9,022,541	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$8,047,950</b>	<b>\$8,480,557</b>	<b>\$9,159,731</b>	<b>\$9,022,541</b>	<b>\$9,022,541</b>	<b>\$9,022,541</b>	<b>\$0</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Reemployment Assistance	\$8,047,950	\$8,480,557	\$9,159,731	\$9,022,541	\$9,022,541	\$9,022,541	\$0
<b>Total</b>	<b>\$8,047,950</b>	<b>\$8,480,557</b>	<b>\$9,159,731</b>	<b>\$9,022,541</b>	<b>\$9,022,541</b>	<b>\$9,022,541</b>	<b>\$0</b>
By Object Expenditure	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
<b>Personnel Costs</b>	<b>\$5,328,853</b>	<b>\$5,994,400</b>	<b>\$6,079,293</b>	<b>\$5,996,278</b>	<b>\$5,996,278</b>	<b>\$5,996,278</b>	<b>\$0</b>
Salaries	\$3,998,770	\$4,544,899	\$4,526,006	\$4,472,927	\$4,472,927	\$4,472,927	\$0
Benefits	\$1,330,084	\$1,449,501	\$1,553,287	\$1,523,351	\$1,523,351	\$1,523,351	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$2,719,097</b>	<b>\$2,486,157</b>	<b>\$3,080,438</b>	<b>\$3,026,263</b>	<b>\$3,026,263</b>	<b>\$3,026,263</b>	<b>\$0</b>

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Travel	\$25,069	\$29,249	\$50,147	\$51,985	\$51,985	\$51,985	\$0
Contractual Services	\$2,127,078	\$2,216,823	\$2,792,876	\$2,733,863	\$2,733,863	\$2,733,863	\$0
Supplies	\$200,862	\$233,222	\$193,615	\$206,615	\$206,615	\$206,615	\$0
Capital Outlay	\$366,088	\$6,864	\$43,800	\$33,800	\$33,800	\$33,800	\$0
<b>Total</b>	<b>\$8,047,950</b>	<b>\$8,480,557</b>	<b>\$9,159,731</b>	<b>\$9,022,541</b>	<b>\$9,022,541</b>	<b>\$9,022,541</b>	<b>\$0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>80.56</b>	<b>77.87</b>	<b>80.0</b>	<b>76.0</b>	<b>76.0</b>	<b>76.0</b>	<b>0.00</b>

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
INDIRECT COSTS	\$0	\$675,500	\$0	0.0%	7.5%	0.0%
UNEMPLOYMENT INSURANCE ADMIN.	\$0	\$4,235,786	\$0	0.0%	46.9%	0.0%
UNEMPLOYMENT INSURANCE ADMIN.	\$0	\$477,000	\$0	0.0%	5.3%	0.0%
DLR ADMINISTRATION	\$0	\$3,358,337	\$0	0.0%	37.2%	0.0%
TITLE IV-D CHILD SUPPORT ENFOR	\$0	\$275,918	\$0	0.0%	3.1%	0.0%

Revenues and Statistics: Reemployment Assistance (1004)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
No data available				
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Applications for Benefits	11,121	11,175	11,200	11,200
Number of Weekly Payments	56,505	66,157	66,000	66,000
Average Weekly Payment	\$425	\$447	\$469	\$490
Average Number of Weekly Payments	13.4	14.0	14.0	14.0
Average Benefit Payment	\$5,613	\$6,176	\$6,550	\$6,850
Individuals Receiving Payments	4,217	4,712	4,710	4,710
% of First Payments Made Within 14 Days	92.4%	93.0%	93.0%	93.0%
Total Dollars Paid*	\$22,615,674	\$28,021,103	\$29,500,000	\$31,000,000
Fed. Claims Reimbursed by Fed. Government**	\$1,156,186	\$1,229,058	\$1,250,000	\$1,330,000
State/Nonprofit Claims Reimbursed by Employer	\$1,162,768	\$1,480,805	\$1,480,000	\$1,550,000
Number of Covered Employers	34,040	34,749	35,450	36,150
RA Taxes Paid	\$43,590,845	\$29,988,511	\$22,500,000	\$21,900,000
Trust Fund Balance	\$205,004,418	\$212,500,447	\$211,000,000	\$207,500,000

## Field Operations (1005)

The mission is to achieve a skilled workforce contributing to economic development by efficiently and respectfully serving businesses, job seekers, and community partners through innovative workforce development solutions and serving as an information resource.

### Major Items Summary: Field Operations (1005)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$1,170,430</b>	<b>\$12,162,171</b>	<b>\$970,430</b>	<b>\$14,303,031</b>	<b>133.5</b>	<b>\$1,170,430</b>	<b>\$12,162,171</b>	<b>\$970,430</b>	<b>\$14,303,031</b>	<b>133.5</b>
1. Eliminate Career Ready Program	\$0	\$0	\$0	\$0	0.0	\$0	\$0	(\$533,894)	(\$533,894)	(6.0)
2. Maintenance Worker FTE	\$0	(\$76,689)	\$0	(\$76,689)	(1.0)	\$0	(\$76,689)	\$0	(\$76,689)	(1.0)
3. Sioux Falls One Stop	\$317,779	\$0	\$0	\$317,779	0.0	\$365,193	\$0	\$0	\$365,193	0.0
4. State Apprenticeship Agency	\$0	\$0	(\$435,635)	(\$435,635)	(5.0)	\$0	\$0	\$0	\$0	0.0
<b>FY 2026 Total Budget</b>	<b>\$1,488,209</b>	<b>\$12,085,482</b>	<b>\$534,795</b>	<b>\$14,108,486</b>	<b>127.5</b>	<b>\$1,535,623</b>	<b>\$12,085,482</b>	<b>\$436,536</b>	<b>\$14,057,641</b>	<b>126.5</b>
Change from Base Budget	\$317,779	(\$76,689)	(\$435,635)	(\$194,545)	(6.0)	\$365,193	(\$76,689)	(\$533,894)	(\$245,390)	(7.0)
% Change from Base Budget	27.2%	(0.6%)	(44.9%)	(1.4%)	(4.5%)	31.2%	(0.6%)	(55.0%)	(1.7%)	(5.2%)

#### 1. Eliminate Career Ready Program

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$0	\$0	0.00
Governor's Recommendation	\$0	\$0	(\$533,894)	(\$533,894)	(6.00)

The governor recommends a decrease of **(\$600,000)** in **other fund** expenditure authority and a decrease of **(6.0)** FTE for the elimination of Career Ready.

Career Ready is funded with a general fund grant from the Department of Education. This activity isn't required in statute and is not utilized by all school districts in the State, so it was determined to remove this funding for the FY2026 budget.



2. Maintenance Worker FTE

	General	Federal	Other	Total	FTE
Agency Request	\$0	(\$76,689)	\$0	(\$76,689)	(1.00)
Governor's Recommendation	\$0	(\$76,689)	\$0	(\$76,689)	(1.00)

The agency requests a decrease of **(\$76,689)** in **federal funds** and a decrease of **(1.0)** FTE for eliminating a senior building maintenance worker.

This position served the previously 10th Street location in Sioux Falls. Once the State moves to the new One-Stop, this work will be completed by BHRA staff.

- Decrease of \$69,720 for salary and benefits.
- Decrease of \$6,469 for contractual services.
- Decrease of \$500 for office supplies.

The governor recommends this request.

3. Sioux Falls One Stop

	General	Federal	Other	Total	FTE
Agency Request	\$317,779	\$0	\$0	\$317,779	0.00
Governor's Recommendation	\$365,193	\$0	\$0	\$365,193	0.00

The agency requests an increase of **\$317,779** in **general funds** and an increase of **\$331,124** in **other fund** expenditure authority for Sioux Falls One Stop rent and utilities for the Jobs Services and Banking divisions.

- \$317,779 for the Job Service office rent in Sioux Falls and electricity for estimated utility increases.
- The Job Service division is moving into the new Sioux Falls One-Stop due to the landlord not renewing the lease for the current location. Also, the current location does not have enough capacity for the number of staff and services provided by Sioux Falls Job Service.
- \$331,124 increase in revenue bond lease expense for increases in rent for the Division of Banking in Sioux Falls, and electricity for estimated utility expenses in the new space.
- The division is moving into the new Sioux Falls One-Stop in FY2026 due to the previous location being too small for the number of staff now working in the division in that location.

The governor recommends an increase of **\$365,193** in **general funds** and an increase of **\$368,440** in **other fund** expenditure authority.

4. State Apprenticeship Agency

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	(\$435,635)	(\$435,635)	(5.00)
Governor's Recommendation	\$0	\$0	\$0	\$0	0.00

The agency requests an increase of **\$3,018,952** in **general funds**, a decrease of **(\$2,528,732)** in **other fund** expenditure authority and an increase of **5.0** FTE for covering State Apprenticeship Agency expenses.

DLR is no longer seeking general funds and will instead continue to use Governor Noem’s 2023 Future Funds award to cover expenses as DLR transitions to State Apprenticeship Agency status.

South Dakota DLR is seeking State Apprenticeship Agency (SAA) status with the U.S. Department of Labor (U.S. DOL), Office of Apprenticeship. South Dakota is currently an Office of Apprenticeship state where all Registered Apprenticeship programs and apprentices are regulated by U.S. DOL. Thirty-three states and territories have become State Apprenticeship Agencies in the United States. By establishing South Dakota as a State Apprenticeship Agency, the state will take over the regulation of apprenticeships from U.S. DOL.

This will benefit South Dakota in several ways:

- While the state will remain in compliance with federal regulations, SAA status reduces federal oversight over registered apprenticeship programs in SD,
- Decreases reliance on federal agencies,
- Streamlines services to sponsors, businesses, and apprentices, therefore decreasing confusion - Shortens the timeline of apprenticeship program approval, and
- Has South Dakota staff proactively providing technical assistance to SD employers and apprentices.

Salaries & Benefits:

- Increase of 5.0 FTE, a reduction of \$170,507 in other fund expenditure authority, and an increase of \$980,226 in general funds. This is shifting 2 FTE from Secretariat and 5 FTE from Job Service from other fund expenditure authority to general funds, all within the Secretariat division.
- Adding the following 5 positions to be funded with general funds: 1 Registered Apprenticeship Administrator, 1 Labor Program Specialist II, Labor Program Specialist I, and two Apprenticeship Coordinators.
- Per diem for 6 board members for the State Apprenticeship Council formed as part of becoming a SAA. It is anticipated this Council will meet in person at least two times per year.

Travel:

- Increase of \$54,612 in general funds and decrease of \$2,000 in other fund expenditure authority for employee travel.

Contractual Services:

- Increase of \$700,000 in general funds with a corresponding decrease of \$875,000 in other fund expenditure authority in Other Consulting is for registered apprenticeship intermediaries.
- Increase of \$300,000 in general funds with a corresponding decrease of \$100,000 in other fund expenditure authority in Other Consulting for registered apprenticeship program development and expansion contracts.

- Increase of \$50,000 in general funds in Computer Software Lease for a Registered Apprenticeship (RA) Management Information System (MIS) maintenance.
- Increase of \$15,700 in general funds for Computer Services-State for Bureau of Information and Telecommunications maintenance requirements of the RA MIS.
- Increase of \$25,000 in general funds with a corresponding decrease in other fund expenditure authority in advertising consultant is for a marketing consultant to provide market research, strategy, development, production, associated new media components, web hosting, and creative services for the DLR to promote and increase awareness of RAP opportunities.
- Increases totaling \$122,028 in general funds with a corresponding decrease of \$19,590 in other fund expenditure authority is for operating expenses of employees (workshop fees, computer services, central services, office space, phone, and liability insurance coverage).

#### **Supplies:**

- Increase in \$6,000 in general funds with a corresponding decrease of \$1,000 in other fund expenditure authority in office supplies is for the staff working on SAA.

#### **Grants:**

- Increase in \$765,000 in general funds with a \$900,000 decrease in other fund expenditure authority is to for financial assistance for apprentices. Financial assistance is provided to support training of apprentices including on the job learning reimbursement, related instruction reimbursement, and supportive services to apprentices.

All financial support (prior to Governor Noem Future Funds) for Registered Apprenticeships has been from federal grants, which are competitive, and require the state to meet goals aligned with federal government priorities.

- SD would not be reliant on competitive federal funding with federal goals and requirements that do not always align in South Dakota
- Provides an alternative post-secondary option for businesses to build their workforce and South Dakotans to advance their career opportunities

#### **Other Expenses:**

- Increase of \$50,386 in general funds for the indirect cost assessment related to generally funded staff increases.

*The governor does not recommend this request.*

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## Reversions and Unutilized FTE (1005)

	General	Federal	Other
Original Appropriation FY2024	\$768,221	\$14,048,405	\$0
Pool Distributions	\$115,228	\$1,652,948	\$0
Supplemental Changes	\$109,470	(\$1,660,811)	\$428,935
Agency Adjustments	\$11,375	\$334,993	\$0
Transfers	\$0	\$375,000	\$25,000
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$1,004,294	\$14,750,535	\$453,935
FY2024 Expenditures	\$1,004,294	\$12,729,502	\$601,944
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$2,021,033</b>	<b>(\$148,009)</b>
<b>Unutilized FTE</b>			<b>15.8</b>

## Budget Request: Field Operations (1005)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$768,823	\$1,004,294	\$1,004,294	\$1,170,430	\$1,488,209	\$1,535,623	\$365,193
Federal	\$12,522,591	\$12,729,502	\$14,750,535	\$12,162,171	\$12,085,482	\$12,085,482	(\$76,689)
Other	\$0	\$601,944	\$453,935	\$970,430	\$534,795	\$436,536	(\$533,894)
<b>Total</b>	<b>\$13,291,414</b>	<b>\$14,335,740</b>	<b>\$16,208,764</b>	<b>\$14,303,031</b>	<b>\$14,108,486</b>	<b>\$14,057,641</b>	<b>(\$245,390)</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Job Service	\$13,291,414	\$14,335,740	\$16,208,764	\$14,303,031	\$14,108,486	\$14,057,641	(\$245,390)
<b>Total</b>	<b>\$13,291,414</b>	<b>\$14,335,740</b>	<b>\$16,208,764</b>	<b>\$14,303,031</b>	<b>\$14,108,486</b>	<b>\$14,057,641</b>	<b>(\$245,390)</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$10,465,620</b>	<b>\$11,267,836</b>	<b>\$12,356,837</b>	<b>\$11,352,807</b>	<b>\$10,900,832</b>	<b>\$10,769,193</b>	<b>(\$583,614)</b>
Salaries	\$7,834,134	\$8,492,793	\$8,845,806	\$8,539,375	\$8,205,077	\$8,091,958	(\$447,417)
Benefits	\$2,631,486	\$2,775,043	\$3,511,031	\$2,813,432	\$2,695,755	\$2,677,235	(\$136,197)
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$2,825,794</b>	<b>\$3,067,904</b>	<b>\$3,851,927</b>	<b>\$2,950,224</b>	<b>\$3,207,654</b>	<b>\$3,288,448</b>	<b>\$338,224</b>
Travel	\$165,204	\$103,743	\$161,611	\$169,045	\$166,545	\$149,045	(\$20,000)
Contractual Services	\$2,269,600	\$2,466,165	\$3,007,187	\$2,528,891	\$2,791,821	\$2,887,615	\$358,724
Supplies	\$92,741	\$87,100	\$144,240	\$106,690	\$103,690	\$106,190	(\$500)
Capital Outlay	\$272,683	\$375,274	\$506,000	\$106,000	\$106,000	\$106,000	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Other Expenses and Budgeted Operating Transfers Out	\$25,567	\$35,623	\$32,889	\$39,598	\$39,598	\$39,598	\$0
<b>Total</b>	<b>\$13,291,414</b>	<b>\$14,335,740</b>	<b>\$16,208,764</b>	<b>\$14,303,031</b>	<b>\$14,108,486</b>	<b>\$14,057,641</b>	<b>(\$245,390)</b>
<b>Full-Time Equivalent (FTE)</b>	<b>161.61</b>	<b>151.23</b>	<b>167.0</b>	<b>133.5</b>	<b>127.5</b>	<b>126.5</b>	<b>(7.0)</b>

### Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$1,535,623	\$0	\$0	100.0%	0.0%	0.0%
INDIRECT COSTS	\$0	\$2,446,726	\$0	0.0%	20.2%	0.0%
TANF-TEMP. ASSISTANCE FOR NEED	\$0	\$1,700,498	\$0	0.0%	14.1%	0.0%
NURSING PATHWAY	\$0	\$39,436	\$0	0.0%	0.3%	0.0%
TAA-TRADE ACT ASSISTANCE	\$0	\$87,865	\$0	0.0%	0.7%	0.0%
ALIEN LABOR CERT(ALC)-AGRICULT	\$0	\$147,044	\$0	0.0%	1.2%	0.0%
LOCAL VETERANS EMPLOYMENT REPR	\$0	\$374,000	\$0	0.0%	3.1%	0.0%
EMPLOYMENT SERVICE BASIC (ES)	\$0	\$3,173,972	\$0	0.0%	26.3%	0.0%
SENIOR COMMUNITY SERVICES EMPL	\$0	\$137,113	\$0	0.0%	1.1%	0.0%
APPRENTICESHIP USA EXPANSION G	\$0	\$278,637	\$0	0.0%	2.3%	0.0%
DLR ADMINISTRATION	\$0	\$0	\$436,536	0.0%	0.0%	100.0%
NEG-DISLOCATED WORKER TRAINING	\$0	\$10,000	\$0	0.0%	0.1%	0.0%
NEG-DISLOCATED WORKER TRAINING	\$0	\$410,772	\$0	0.0%	3.4%	0.0%
REEMPLOYMENT SRVCS & ELIG ASSE	\$0	\$427,324	\$0	0.0%	3.5%	0.0%
FOOD STAMPS EMPLOYMENT & TRAIN	\$0	\$128,952	\$0	0.0%	1.1%	0.0%
WIOA ADULT PROGRAM	\$0	\$1,078,631	\$0	0.0%	8.9%	0.0%
WIOA YOUTH ACTIVITIES	\$0	\$1,153,383	\$0	0.0%	9.5%	0.0%
WIOA DISLOCATED WORKERS	\$0	\$467,729	\$0	0.0%	3.9%	0.0%
WIOA STATEWIDE ACTIVITIES	\$0	\$23,400	\$0	0.0%	0.2%	0.0%

## Revenues and Statistics: Field Operations (1005)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
	No data available			
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
SDWORKS Participants Self-Served	10,873	10,593	11,000	11,500
RA Recipients Referred to Reemploy. Svcs	1,965	802	1,300	1,300
Registered Apprenticeship Programs in SD	111	145	170	193
Active Registered Apprentices	916	1,294	1,400	1,850
Individuals Served by Job Services Offices	6,219	6,033	5,000	5,000
Individuals Seeking Adult Ed Services	864	1,001	1,000	1,000
Adult Ed and Literacy Participants	1,539	1,802	1,800	1,800
Public K-12 Schools Served	93	93	100	126
Dakota Roots:				
New Individuals Showing Interest	427	10,598	650	650
Dakota Roots Participants	774	2,702	400	400
Job Placement for Workforce Program Clients	69.7%	68.4%	70.5%	70.5%
Job Placement for Clients w/ Barriers to Employ	66.6%	66.5%	67.0%	67.0%
Workforce Training Opportunities for Clients	609	320	400	400
Number of Job Orders Listed	23,291	13,284	15,000	15,000

### State Labor Law Administration (1006)

The mission is to responsively provide dispute resolution and help people through investigations, enforcement, compliance, and education of workforce and discrimination law.

### Reversions and Unutilized FTE (1006)

	General	Federal	Other
Original Appropriation FY2024	\$838,214	\$338,941	\$561,553
Pool Distributions	\$97,455	\$39,942	\$42,625
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$860	\$8,776	\$9,318
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$936,529	\$387,659	\$613,496
FY2024 Expenditures	\$936,529	\$308,667	\$409,038
Reversion of Authority	\$0	\$78,992	\$204,458
Unutilized FTE			1.6

### Budget Request: State Labor Law Administration (1006)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$838,307	\$936,529	\$936,529	\$965,239	\$965,239	\$965,239	\$0
Federal	\$228,250	\$308,667	\$387,659	\$398,474	\$398,474	\$398,474	\$0
Other	\$241,444	\$409,038	\$613,496	\$624,791	\$624,791	\$624,791	\$0
Total	\$1,308,001	\$1,654,234	\$1,937,684	\$1,988,504	\$1,988,504	\$1,988,504	\$0

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
State Labor Law Administration	\$1,308,001	\$1,654,234	\$1,937,684	\$1,988,504	\$1,988,504	\$1,988,504	\$0
Total	\$1,308,001	\$1,654,234	\$1,937,684	\$1,988,504	\$1,988,504	\$1,988,504	\$0

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$1,042,785	\$1,322,760	\$1,480,399	\$1,532,875	\$1,532,875	\$1,532,875	\$0
Salaries	\$800,438	\$1,034,061	\$1,136,962	\$1,186,303	\$1,186,303	\$1,186,303	\$0
Benefits	\$242,347	\$288,699	\$343,437	\$346,572	\$346,572	\$346,572	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$265,215	\$331,474	\$457,285	\$455,629	\$455,629	\$455,629	\$0
Travel	\$7,947	\$9,976	\$15,501	\$15,336	\$15,336	\$15,336	\$0
Contractual Services	\$212,532	\$201,881	\$376,293	\$279,830	\$279,830	\$279,830	\$0
Supplies	\$11,663	\$14,231	\$28,981	\$39,406	\$39,406	\$39,406	\$0
Grants	\$0	\$64,194	\$5,000	\$75,000	\$75,000	\$75,000	\$0
Capital Outlay	\$4,181	\$2,157	\$2,400	\$2,400	\$2,400	\$2,400	\$0
Other Expenses and Budgeted Operating Transfers Out	\$28,892	\$39,036	\$29,110	\$43,657	\$43,657	\$43,657	\$0
Total	\$1,308,001	\$1,654,234	\$1,937,684	\$1,988,504	\$1,988,504	\$1,988,504	\$0
Full-Time Equivalent (FTE)		13.73	15.3	15.3	15.3	15.3	0.00

Funding Sources (Governor's Recommended)						
	General	Federal	Other	General%	Federal%	Other%
STATE GENERAL FUND	\$965,239	\$0	\$0	100.0%	0.0%	0.0%
INDIRECT COSTS	\$0	\$61,805	\$0	0.0%	15.5%	0.0%
EEOC HUMAN RIGHTS	\$0	\$41,343	\$0	0.0%	10.4%	0.0%
UNEMPLOYMENT INSURANCE ADMIN.	\$0	\$273,326	\$0	0.0%	68.6%	0.0%
UNEMPLOYMENT INSURANCE ADMIN.	\$0	\$22,000	\$0	0.0%	5.5%	0.0%
WORKERS COMPENSATION FEE FUNDS	\$0	\$0	\$624,791	0.0%	0.0%	100.0%



## Revenues and Statistics: State Labor Law Administration (1006)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Workers' Compensation (WC) Fees	\$373,138	\$368,900	\$350,000	\$370,000
WC Fines	\$33,080	\$29,000	\$30,000	\$30,000
Interest Income	\$8,611	\$29,470	\$10,000	\$10,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Collective Bargaining Filings of Petitions for Hearing	3	5	10	10
Collective Bargaining Petitions Settled or Dismissed Prior to Hearing	1	2	3	3
Hearings Held to Arbitrate, Mediate, or Conduct Collective Bargaining Matters and Render Decisions	3	2	5	5
Wage Inquiries/Wage Law Complaints Filed	5,002/169	4,077/182	4,500/150	4,500/150
Private Industry Employees Affected by WC	372,850	380,150	370,000	370,000
Private Industry WC First Reports of Injury	17,393	19,479	18,000	18,000
New Filings of Private Industry WC Petitions	82	105	140	140
Private Industry WC Claims Settled or Dismissed Prior to Hearing	182	239	300	300
Private Industry WC Hrng Petitions Pending	378	389	400	400
Private Industry WC Claims Resulting in a Formal Hearing	13	9	5	5
Hearings Held to Mediate WC Matters	11	16	20	20
RA Appeals Filings of Petitions for Hearing	552	583	600	600
RA Appeals Resulting in Final Order of Decision	947	542	800	800
RA Appeals Pending Decision	31	25	35	35
Human Rights Charges Received/Closures	82/52	84/35	70/50	70/50
Human Rights Telephone Contacts	771	755	500	500
WC Independent Contractor Applications	199	123	400	400

## Board of Accountancy - Informational (1031)

To protect the citizens of South Dakota from receiving inadequate accounting services by licensing qualified accountant applicants, monitoring continuing professional education and annual reporting requirements, and enforcing statutes and rules promulgated to regulate the practice of public accountancy.

- Deidre Budahl, CPA, Chair
- Nicole Kasin, Executive Director

## Major Items Summary: Board of Accountancy - Informational (1031)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$407,977</b>	<b>\$407,977</b>	<b>2.7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$407,977</b>	<b>\$407,977</b>	<b>2.7</b>
1. Accountancy Computer System Maintenance	\$0	\$0	\$10,000	\$10,000	0.0	\$0	\$0	\$10,000	\$10,000	0.0
2. Accountancy CPA Exam Costs	\$0	\$0	\$11,000	\$11,000	0.0	\$0	\$0	\$11,000	\$11,000	0.0
3. Accountancy Credit Card Transaction Fees	\$0	\$0	\$4,000	\$4,000	0.0	\$0	\$0	\$4,000	\$4,000	0.0
4. Accountancy Sioux Falls One Stop	\$0	\$0	\$23,708	\$23,708	0.0	\$0	\$0	\$27,496	\$27,496	0.0
5. Accountancy Travel and Lodging Inflation	\$0	\$0	\$7,600	\$7,600	0.0	\$0	\$0	\$7,600	\$7,600	0.0
<b>FY 2026 Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$464,285</b>	<b>\$464,285</b>	<b>2.7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$468,073</b>	<b>\$468,073</b>	<b>2.7</b>
Change from Base Budget	\$0	\$0	\$56,308	\$56,308	0.0	\$0	\$0	\$60,096	\$60,096	0.0
% Change from Base Budget	0.0%	0.0%	13.8%	13.8%	0.0%	0.0%	0.0%	14.7%	14.7%	0.0%

### 1. Accountancy Computer System Maintenance

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$10,000	\$10,000	0.00
Governor's Recommendation	\$0	\$0	\$10,000	\$10,000	0.00

The agency requests an increase of **\$10,000** in **other fund** expenditure authority for replacing the aging access database which will be unsupported by Microsoft and BIT by October 2025. The database is essential for recording licensee data, disciplinary action, initial/renewal license history, application status, examination scores, and student education data.

*The governor recommends this request.*

2. Accountancy CPA Exam Costs

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$11,000	\$11,000	0.00
Governor's Recommendation	\$0	\$0	\$11,000	\$11,000	0.00

The agency requests an increase of **\$11,000** in **other fund** expenditure authority for the CPA exams conducted by the Board. The costs of the tests have increased, and more exams are being conducted than in previous years.

*The governor recommends this request.*

3. Accountancy Credit Card Transaction Fees

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$4,000	\$4,000	0.00
Governor's Recommendation	\$0	\$0	\$4,000	\$4,000	0.00

The agency requests an increase of **\$4,000** in **other fund** expenditure authority for credit card fees. The Board is being paid with credit cards more than checks than previously, causing these costs to increase.

*The governor recommends this request.*

4. Accountancy Sioux Falls One Stop

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$23,708	\$23,708	0.00
Governor's Recommendation	\$0	\$0	\$27,496	\$27,496	0.00

The agency requests an increase of **\$23,780** in **other fund** expenditure authority for the Revenue Bond lease payment to move staff to the Sioux Falls One Stop.

This request includes \$21,980 for rent and \$1,728 for utilities. The governor recommends an additional \$3,788 for rent.

*The governor recommends an increase of **\$27,496** in **other funds**.*

5. Accountancy Travel and Lodging Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$7,600	\$7,600	0.00
Governor's Recommendation	\$0	\$0	\$7,600	\$7,600	0.00

The agency requests an increase of **\$7,600** in **other fund** expenditure authority for out of state travel due to commercial air travel and lodging increasing at all events the Board is attending.

The governor recommends this request.

Reversions and Unutilized FTE (1031)			
	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$359,657
Pool Distributions	\$0	\$0	\$23,455
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$2,298
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$385,410
FY2024 Expenditures	\$0	\$0	\$384,576
Reversion of Authority	\$0	\$0	\$834
Unutilized FTE			0.3

Budget Request: Board of Accountancy - Informational (1031)							
By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$315,065	\$384,576	\$385,410	\$407,977	\$464,285	\$468,073	\$60,096
Total	\$315,065	\$384,576	\$385,410	\$407,977	\$464,285	\$468,073	\$60,096
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Board of Accountancy - Info	\$315,065	\$384,576	\$385,410	\$407,977	\$464,285	\$468,073	\$60,096
Total	\$315,065	\$384,576	\$385,410	\$407,977	\$464,285	\$468,073	\$60,096
By Object Expenditure	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Personnel Costs	\$155,302	\$191,688	\$203,650	\$226,453	\$226,453	\$226,453	\$0

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Salaries	\$117,954	\$150,730	\$153,223	\$172,117	\$172,117	\$172,117	\$0
Benefits	\$37,349	\$40,957	\$50,427	\$54,336	\$54,336	\$54,336	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$159,763	\$192,888	\$216,760	\$181,524	\$237,832	\$241,620	\$60,096
Travel	\$12,296	\$17,227	\$19,701	\$20,024	\$27,624	\$27,624	\$7,600
Contractual Services	\$139,638	\$171,647	\$188,459	\$152,400	\$201,108	\$204,896	\$52,496
Supplies	\$4,238	\$3,997	\$4,600	\$5,100	\$5,100	\$5,100	\$0
Capital Outlay	\$3,590	\$17	\$4,000	\$4,000	\$4,000	\$4,000	\$0
Total	\$315,065	\$384,576	\$420,410	\$407,977	\$464,285	\$468,073	\$60,096
Full-Time Equivalent (FTE)	2.02	2.33	2.6	2.7	2.7	2.7	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BOARDS-FEES, LIC. & PERMITS	\$0	\$0	\$468,073	0.0%	0.0%	100.0%

## Revenues and Statistics: Board of Accountancy - Informational (1031)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Examination Fees	\$22,344	\$13,639	\$15,000	\$20,000
Reexamination Fees	\$43,079	\$58,684	\$45,000	\$50,000
New License Fees	\$2,700	\$2,850	\$3,000	\$5,500
Renewal Fees	\$211,675	\$236,180	\$210,000	\$375,320
Interest Income	\$4,114	\$10,328	\$5,000	\$6,000
Peer Review	\$4,800	\$4,800	\$4,000	\$10,000
Board Exam Fee	\$8,130	\$8,430	\$8,000	\$18,270
Name Changes	\$200	\$225	\$100	\$100
Late Fees	\$5,100	\$5,950	\$4,500	\$4,500
Legal Recovery cost	\$1,600	\$8,556	\$1,000	\$1,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Licenses Renewed	2,090	2,121	2,000	2,050
New Licenses	64	59	60	60
Practitioners	1,921	1,941	1,850	1,850
Examinations:				
Nationally Prepared (Times Given)	12	12	12	12
Total Applicants Examined	108	113	95	90
Applicants Passed (Includes Reexams)	34	30	35	35
Score Required for Passing	75%	75%	75%	75%
Complaints:				
Received/Investigated/Resolved	16/16/13	32/32/32	12/12/11	12/12/11
Hearings Held/Pending	1/1	1/0	0/0	0/0
Licensees Reprimanded/Probationed	2/0	2/5	0/0	0/0
Licenses Suspended/Revoked	2/0	0/0	0/0	0/0
No Action Taken Against Licensee	2	3		
Prosecutions				
Miscellaneous:				
Peer Review	54	68	50	50
Applicants Denied Licensure		1		
Board Meetings Held	8	9	9	8
CPE Audits	131	126	120	120

## Board of Barber Examiners - Informational (1032)

The Board of Barber Examiners protects the health and safety of the consumer public by licensure of qualified persons, licensing and inspection of barbershop facilities, and enforcement of the statutes, rules and regulations governing the practice of barbering including the appropriate resolution of complaints.

•Len Ivey, President

•Tyler Evins, Executive Director

## Major Items Summary: Board of Barber Examiners - Informational (1032)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,146</b>	<b>\$33,146</b>	<b>0.2</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,146</b>	<b>\$33,146</b>	<b>0.2</b>
1. Barber Examiners Rent Increase	\$0	\$0	\$1,800	\$1,800	0.0	\$0	\$0	\$1,800	\$1,800	0.0
2. Barbers Access Database	\$0	\$0	\$10,000	\$10,000	0.0	\$0	\$0	\$10,000	\$10,000	0.0
3. Barbers Insurance and Central Services Inflation	\$0	\$0	\$3,100	\$3,100	0.0	\$0	\$0	\$3,100	\$3,100	0.0
4. Barbers Office Supply and Postage Inflation	\$0	\$0	\$500	\$500	0.0	\$0	\$0	\$500	\$500	0.0
5. Barbers Part-Time Inspector 0.2 FTE	\$0	\$0	\$38,989	\$38,989	0.2	\$0	\$0	\$38,989	\$38,989	0.2
<b>FY 2026 Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$87,535</b>	<b>\$87,535</b>	<b>0.4</b>	<b>\$0</b>	<b>\$0</b>	<b>\$87,535</b>	<b>\$87,535</b>	<b>0.4</b>
Change from Base Budget	\$0	\$0	\$54,389	\$54,389	0.2	\$0	\$0	\$54,389	\$54,389	0.2
% Change from Base Budget	0.0%	0.0%	164.1%	164.1%	100.0%	0.0%	0.0%	164.1%	164.1%	100.0%

### 1. Barber Examiners Rent Increase

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$1,800	\$1,800	0.00
Governor's Recommendation	\$0	\$0	\$1,800	\$1,800	0.00

The agency requests an increase of **\$1,800** in **other fund** expenditure authority for renting space to conduct practical exams of applicants.

*The governor recommends this request.*

2. Barbers Access Database

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$10,000	\$10,000	0.00
Governor's Recommendation	\$0	\$0	\$10,000	\$10,000	0.00

The agency requests an increase of **\$10,000** in **other fund** expenditure authority for replacing the aging access database which will be unsupported by Microsoft and BIT by October 2025. The database is essential for recording licensee data, disciplinary action, initial/renewal license history, application status, examination scores, and student education data.

*The governor recommends this request.*

3. Barbers Insurance and Central Services Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$3,100	\$3,100	0.00
Governor's Recommendation	\$0	\$0	\$3,100	\$3,100	0.00

The agency requests an increase of **\$3,100** in **other fund** expenditure authority for central services and insurance premiums to reflect actual costs.

*The governor recommends this request.*

4. Barbers Office Supply and Postage Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$500	\$500	0.00
Governor's Recommendation	\$0	\$0	\$500	\$500	0.00

The agency requests an increase of **\$500** in **other fund** expenditure authority for inflationary costs of office supplies and postage.

*The governor recommends this request.*



5. Barbers Part-Time Inspector 0.2 FTE

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$38,989	\$38,989	0.20
Governor's Recommendation	\$0	\$0	\$38,989	\$38,989	0.20

The agency requests an increase of **\$38,989** in **other fund** expenditure authority and an increase of **0.2** FTE for a part-time inspector to assist the Board of Barber Examiners with completing required inspections annually. The Board is required to inspect all licensed businesses annually. The Board is far past this deadline, with an approximate inspection average of 2 years per business.

The governor recommends this request.

Reversions and Unutilized FTE (1032)			
	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$26,772
Pool Distributions	\$0	\$0	\$1,726
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$250
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$28,748
FY2024 Expenditures	\$0	\$0	\$40,202
Reversion of Authority	\$0	\$0	(\$11,454)
Unutilized FTE			(0.1)

Budget Request: Board of Barber Examiners - Informational (1032)							
By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$27,002	\$40,202	\$28,748	\$33,146	\$87,535	\$87,535	\$54,389
Total	\$27,002	\$40,202	\$28,748	\$33,146	\$87,535	\$87,535	\$54,389
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Board of Barber Examiners - Info	\$27,002	\$40,202	\$28,748	\$33,146	\$87,535	\$87,535	\$54,389
Total	\$27,002	\$40,202	\$28,748	\$33,146	\$87,535	\$87,535	\$54,389

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$16,587	\$24,731	\$25,617	\$22,559	\$54,630	\$54,630	\$32,071
Salaries	\$12,764	\$19,214	\$21,680	\$18,348	\$46,079	\$46,079	\$27,731
Benefits	\$3,823	\$5,517	\$3,937	\$4,211	\$8,551	\$8,551	\$4,340
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$10,415	\$15,471	\$22,131	\$10,587	\$32,905	\$32,905	\$22,318
Travel	\$2,889	\$5,382	\$9,703	\$3,212	\$5,555	\$5,555	\$2,343
Contractual Services	\$5,840	\$9,176	\$12,008	\$6,955	\$26,430	\$26,430	\$19,475
Supplies	\$1,138	\$891	\$420	\$420	\$920	\$920	\$500
Capital Outlay	\$547	\$0	\$0	\$0	\$0	\$0	\$0
Other Expenses and Budgeted Operating Transfers Out	\$0	\$21	\$0	\$0	\$0	\$0	\$0
Total	\$27,002	\$40,202	\$47,748	\$33,146	\$87,535	\$87,535	\$54,389
Full-Time Equivalent (FTE)	0.22	0.32	0.2	0.2	0.4	0.4	0.2

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BOARDS-FEES, LIC. & PERMITS	\$0	\$0	\$87,535	0.0%	0.0%	100.0%

## Revenues and Statistics: Board of Barber Examiners - Informational (1032)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
License Fees	\$24,635	\$31,877	\$74,313	\$93,043
Interest Income	\$276	\$694	\$694	\$694
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Operator Licenses Renewed/New	184/16	196/23	196/23	196/23
Practitioners	186	196	170	170
Inspections	80	80	82	110
Business License Renewed/New	N/A	108/20	108/20	108/20
Complaints Received/Investigated/Resolved	0/0/0	0/0/0	0/0/0	0/0/0
Licensees Reprimanded	1	1	1	1
Licenses Suspended/Revoked	0/0	0/0	0/0	0/0
Board Meetings Held	5	4	4	4

Cosmetology Commission - Informational (1033)

To ensure the health and safety of our citizens as they use cosmetology, esthetics, and nail technology services.

•Renee Graf, President	•Tyler Evins, Executive Director
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Major Items Summary: Cosmetology Commission - Informational (1033)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$481,958	\$481,958	4.5	\$0	\$0	\$481,958	\$481,958	4.5
1. Cosmetology Access Database Replacement	\$0	\$0	\$78,000	\$78,000	0.0	\$0	\$0	\$78,000	\$78,000	0.0
2. Cosmetology Office Supply and Postage Costs	\$0	\$0	(\$4,000)	(\$4,000)	0.0	\$0	\$0	(\$4,000)	(\$4,000)	0.0
3. Part-Time Cosmetology Commission FTE	\$0	\$0	\$16,564	\$16,564	0.3	\$0	\$0	\$16,564	\$16,564	0.3
FY 2026 Total Budget	\$0	\$0	\$572,522	\$572,522	4.8	\$0	\$0	\$572,522	\$572,522	4.8
Change from Base Budget	\$0	\$0	\$90,564	\$90,564	0.3	\$0	\$0	\$90,564	\$90,564	0.3
% Change from Base Budget	0.0%	0.0%	18.8%	18.8%	6.7%	0.0%	0.0%	18.8%	18.8%	6.7%

1. Cosmetology Access Database Replacement

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$78,000	\$78,000	0.00
Governor's Recommendation	\$0	\$0	\$78,000	\$78,000	0.00

The agency requests an increase of \$78,000 in other fund expenditure authority for replacing the aging Access database which will be unsupported by Microsoft and BIT by October 2025. The database is essential for recording licensee data, disciplinary action, initial/renewal license history, application status, examination scores, and student education data.

The governor recommends this request.

2. Cosmetology Office Supply and Postage Costs

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	(\$4,000)	(\$4,000)	0.00
Governor's Recommendation	\$0	\$0	(\$4,000)	(\$4,000)	0.00

The agency requests a decrease of **(\$4,000)** in **other fund** expenditure authority for decreases in office supplies and postage due to the implementation of a new computer system, allowing for a decrease in these costs for mailing licenses.

The governor recommends this request.

3. Part-Time Cosmetology Commission FTE

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$16,564	\$16,564	0.30
Governor's Recommendation	\$0	\$0	\$16,564	\$16,564	0.30

The agency requests an increase of **\$16,564** in **other fund** expenditure authority and an increase of **0.3** FTE for the Cosmetology Commission to add another part-time inspector to assist with cosmetology inspections. The Commission is required to inspect all licensed businesses annually. The Commission is far past this deadline, with an approximate inspection average of 1.5 years per business.

The governor recommends this request.

Reversions and Unutilized FTE (1033)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$403,790
Pool Distributions	\$0	\$0	\$38,902
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$4,426
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$447,118
FY2024 Expenditures	\$0	\$0	\$431,360
Reversion of Authority	\$0	\$0	\$15,758
Unutilized FTE			0.3

Budget Request: Cosmetology Commission - Informational (1033)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Other	\$376,037	\$431,360	\$447,118	\$481,958	\$572,522	\$572,522	\$90,564
Total	\$376,037	\$431,360	\$447,118	\$481,958	\$572,522	\$572,522	\$90,564
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Cosmetology Commission - Info	\$376,037	\$431,360	\$447,118	\$481,958	\$572,522	\$572,522	\$90,564
Total	\$376,037	\$431,360	\$447,118	\$481,958	\$572,522	\$572,522	\$90,564
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$223,293	\$272,698	\$311,351	\$342,073	\$358,637	\$358,637	\$16,564
Salaries	\$179,999	\$218,678	\$231,072	\$255,419	\$270,766	\$270,766	\$15,347
Benefits	\$43,294	\$54,021	\$80,279	\$86,654	\$87,871	\$87,871	\$1,217
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$152,744	\$158,662	\$160,767	\$139,885	\$213,885	\$213,885	\$74,000
Travel	\$28,996	\$22,230	\$47,268	\$47,566	\$47,566	\$47,566	\$0
Contractual Services	\$94,637	\$114,072	\$100,318	\$79,138	\$157,138	\$157,138	\$78,000
Supplies	\$24,938	\$19,803	\$13,181	\$13,181	\$9,181	\$9,181	(\$4,000)
Capital Outlay	\$4,173	\$2,313	\$0	\$0	\$0	\$0	\$0
Other Expenses and Budgeted Operating Transfers Out	\$0	\$244	\$0	\$0	\$0	\$0	\$0
Total	\$376,037	\$431,360	\$472,118	\$481,958	\$572,522	\$572,522	\$90,564
Full-Time Equivalent (FTE)	3.8	4.02	4.3	4.5	4.8	4.8	0.3

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BOARDS-FEES, LIC. & PERMITS	\$0	\$0	\$572,522	0.0%	0.0%	100.0%

## Revenues and Statistics: Cosmetology Commission - Informational (1033)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Licensing Fees	\$309,899	\$294,131	\$349,777	\$551,335
Penalties	\$51,549	\$49,310	\$50,000	\$50,000
Examination Fees	\$30,392	\$34,955	\$30,000	\$37,000
Course Registration Fee	\$1,685	\$1,160	\$2,000	\$2,000
Miscellaneous	\$955	\$3,055	\$3,000	\$3,000
Interest Income	\$1,747	\$4,685	\$4,500	\$4,500
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Operator License Renewed/New	8,865/1,694	7,410/760	7,500/800	7,500/800
Business License Renewed/New	N/A	1,820/641	2,461/641	2,461/641
Practitioners (Active/Current)	N/A	7,410	7,500	7,500
Practicioners (Recently Lapsed)	N/A	1,121	1,200	1,200
Examinations Proctored/Passed	326/245	400/288	420/308	420/308
Complaints:				
Received/Investigated/Resolved	5/5/5	7/7/6	10/10/10	10/10/10
Hearings Held/Pending	1/0	2/0	4/0	4/0
Licensees Reprimanded	4	5	7	7
Licenses Suspended/Revoked	0/1	1/1	2/2	2/2
Inspections	2,249	1,009	1,100	1,100
Board Meetings Held	6	5	4	4

## Plumbing Commission - Informational (1034)

To keep the citizens of our state and their property safe from hazards associated with unsafe drinking water and unsafe waste disposal facilities.

•Duane Levanen, Chair

•Mandy Nielsen, Executive Director

## Major Items Summary: Plumbing Commission - Informational (1034)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,072,768</b>	<b>\$1,072,768</b>	<b>8.3</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,072,768</b>	<b>\$1,072,768</b>	<b>8.3</b>
1. Plumbing Inspector FTE	\$0	\$0	\$128,349	\$128,349	1.0	\$0	\$0	\$128,349	\$128,349	1.0
<b>FY 2026 Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,201,117</b>	<b>\$1,201,117</b>	<b>9.3</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,201,117</b>	<b>\$1,201,117</b>	<b>9.3</b>
Change from Base Budget	\$0	\$0	\$128,349	\$128,349	1.0	\$0	\$0	\$128,349	\$128,349	1.0
% Change from Base Budget	0.0%	0.0%	12.0%	12.0%	12.0%	0.0%	0.0%	12.0%	12.0%	12.0%

### 1. Plumbing Inspector FTE

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$128,349	\$128,349	1.00
Governor's Recommendation	\$0	\$0	\$128,349	\$128,349	1.00

The agency requests an increase of **\$128,349** in **other fund** expenditure authority and an increase of **1.0** FTE for an additional plumbing inspector. The number of construction projects needing an inspection have grown in the past three years, leading to the need for another inspector.

*The governor recommends this request.*

## Reversions and Unutilized FTE (1034)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$858,615
Pool Distributions	\$0	\$0	\$73,398
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$5,734
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$937,747
FY2024 Expenditures	\$0	\$0	\$912,906
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,841</b>
<b>Unutilized FTE</b>			<b>0.6</b>



Budget Request: Plumbing Commission - Informational (1034)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$896,849	\$912,906	\$937,747	\$1,072,768	\$1,201,117	\$1,201,117	\$128,349
Total	\$896,849	\$912,906	\$937,747	\$1,072,768	\$1,201,117	\$1,201,117	\$128,349
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Plumbing Commission - Info	\$896,849	\$912,906	\$937,747	\$1,072,768	\$1,201,117	\$1,201,117	\$128,349
Total	\$896,849	\$912,906	\$937,747	\$1,072,768	\$1,201,117	\$1,201,117	\$128,349
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$643,613	\$646,417	\$682,308	\$722,489	\$818,603	\$818,603	\$96,114
Salaries	\$499,613	\$502,400	\$517,423	\$548,174	\$622,134	\$622,134	\$73,960
Benefits	\$144,000	\$144,017	\$164,885	\$174,315	\$196,469	\$196,469	\$22,154
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$253,236	\$266,489	\$275,439	\$350,279	\$382,514	\$382,514	\$32,235
Travel	\$135,404	\$136,243	\$136,141	\$137,501	\$162,501	\$162,501	\$25,000
Contractual Services	\$78,069	\$85,763	\$84,023	\$165,103	\$172,138	\$172,138	\$7,035
Supplies	\$35,018	\$42,493	\$54,275	\$46,675	\$46,875	\$46,875	\$200
Capital Outlay	\$4,035	\$1,299	\$0	\$0	\$0	\$0	\$0
Other Expenses and Budgeted Operating Transfers Out	\$710	\$691	\$1,000	\$1,000	\$1,000	\$1,000	\$0
Total	\$896,849	\$912,906	\$957,747	\$1,072,768	\$1,201,117	\$1,201,117	\$128,349
Full-Time Equivalent (FTE)	7.95	7.55	8.1	8.3	9.3	9.3	1.0

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BOARDS-FEES, LIC. & PERMITS	\$0	\$0	\$1,201,117	0.0%	0.0%	100.0%

## Revenues and Statistics: Plumbing Commission - Informational (1034)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Examination Fees	\$30,280	\$31,550	\$21,900	\$22,500
License Fees	\$384,835	\$410,545	\$412,000	\$466,440
Materials Sold	\$13,800	\$14,335	\$14,000	\$14,000
Interest Income	\$4,042	\$10,136	\$4,000	\$4,000
Temporary Licenses	\$350	\$150	\$150	\$150
Reciprocity Fees	\$4,500	\$5,600	\$5,600	\$5,600
Inspection Certificates	\$19,910	\$22,125	\$22,750	\$96,300
Inspection Fees	\$358,125	\$404,185	\$400,000	\$674,460
Misc Income	\$695	\$945	\$900	\$900
Application Fees				\$25,820
Administrative Fees				\$10,000
License Verification Fee				\$600
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Licenses Renewed	2,375	2,627	3,383	4,007
New Licenses	582	786	684	600
Practitioners	2,957	3,413	4,067	4,607
Examinations:				
State Prepared (Times Given)	45	46	48	245
Applicants Examined/Passed	220/165	148/125	190/120	390/342
Complaints:				
Received/Investigated/Resolved	3/3/3	11/11/8	5/5/8	4/4/4
Prosecutions				
Miscellaneous:				
Inspections	8,730	9,652	10,113	10,113
Inquiries Received and Answered	6,983	8,753	9,273	9,273
Board Meetings Held	4	4	4	4

## Board of Technical Professions - Informational (1035)

The South Dakota Board of Technical Professions is a regulatory board charged with licensing and regulating the professional practice of architecture, engineering, land surveying, landscape architecture, and petroleum release services for the purpose of safeguarding public health, safety and welfare in the State of South Dakota. A person must be licensed by the Board before being permitted to offer and provide these professional services on projects located within the State of South Dakota.

•Jared Carda, AR, Chair

•Jodi Aumer, Executive Director

## Reversions and Unutilized FTE (1035)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$393,297
Pool Distributions	\$0	\$0	\$25,803
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$4,198
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$423,298
FY2024 Expenditures	\$0	\$0	\$546,342
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$123,044)</b>
<b>Unutilized FTE</b>			<b>0.1</b>

## Budget Request: Board of Technical Professions - Informational (1035)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$391,310	\$546,342	\$423,298	\$607,674	\$607,674	\$607,674	\$0
<b>Total</b>	<b>\$391,310</b>	<b>\$546,342</b>	<b>\$423,298</b>	<b>\$607,674</b>	<b>\$607,674</b>	<b>\$607,674</b>	<b>\$0</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Board of Technical Professions - Info	\$391,310	\$546,342	\$423,298	\$607,674	\$607,674	\$607,674	\$0
<b>Total</b>	<b>\$391,310</b>	<b>\$546,342</b>	<b>\$423,298</b>	<b>\$607,674</b>	<b>\$607,674</b>	<b>\$607,674</b>	<b>\$0</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$249,825</b>	<b>\$233,176</b>	<b>\$236,746</b>	<b>\$263,358</b>	<b>\$263,358</b>	<b>\$263,358</b>	<b>\$0</b>

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Salaries	\$187,331	\$177,936	\$178,558	\$199,025	\$199,025	\$199,025	\$0
Benefits	\$62,494	\$55,240	\$58,188	\$64,333	\$64,333	\$64,333	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$141,485	\$313,166	\$353,552	\$344,316	\$344,316	\$344,316	\$0
Travel	\$2,289	\$5,322	\$15,783	\$17,619	\$17,619	\$17,619	\$0
Contractual Services	\$94,975	\$286,382	\$295,527	\$293,905	\$293,905	\$293,905	\$0
Supplies	\$31,011	\$21,462	\$19,200	\$9,750	\$9,750	\$9,750	\$0
Grants	\$0	\$0	\$18,042	\$18,042	\$18,042	\$18,042	\$0
Capital Outlay	\$13,210	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$0
Total	\$391,310	\$546,342	\$590,298	\$607,674	\$607,674	\$607,674	\$0
Full-Time Equivalent (FTE)	3.01	2.96	3.1	3.3	3.3	3.3	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BOARDS-FEES, LIC. & PERMITS	\$0	\$0	\$607,674	0.0%	0.0%	100.0%

## Revenues and Statistics: Board of Technical Professions - Informational (1035)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Application Fees	\$98,600	\$102,080	\$100,000	\$107,500
Renewal Fees	\$351,689	\$316,105	\$340,000	\$360,000
Interest Income	\$5,977	\$18,252	\$7,000	\$7,000
Late Renewal Penalties	\$27,200	\$38,600	\$30,000	\$30,000
Other Engineering Fee	\$2,405	\$810	\$700	\$700
Exam Fee	\$5,600	\$1,550	\$6,000	\$6,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Active Licenses/Business Licenses	6,661/2,636	6,821/2,607	6,900/2,600	6,900/2,600
Practitioners	9,811	9,428	9,900	9,900
Examinations:				
Nationally Prepared:				
Applicants Examined/Passed	293/191	113/71	200/100	200/100
(Includes Reexams)				
State Prepared:				
Applicants Examined/Passed	32/32	429/429	430/430	430/430
Applicants Reexamined/Passed	0/0	0/0	0/0	0/0
Complaints:				
Received/Investigated/Resolved	6/4/3	9/3/2	10/8/8	10/8/8
Hearings Held/Pending	1/0	1/5	2/0	2/0
Licensees Reprimanded/Probationed	4/0	1/0	4/0	4/0
Licenses Suspended/Revoked	0/0	0/0	0/0	0/0
No Action Taken Against Licensee	3	3	4	4
Total Prosecutions	2		10	10
Audits	39		40	40
Applicants Denied SD Licensure	20	1	10	10
Board Meetings Held	6	6	6	6

## Electrical Commission - Informational (1036)

To keep the citizens of our state and their property safe from the hazards associated with using electricity. The Commission administers the state laws and regulations concerning electrical wiring, inspects wiring installations, investigates complaints related to electrical wiring and licenses all electricians within the state.

•Tor Sorlien, President

•Pamela Overweg, Executive Director

## Reversions and Unutilized FTE (1036)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$2,384,553
Pool Distributions	\$0	\$0	\$178,664
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$17,463
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$2,580,680
FY2024 Expenditures	\$0	\$0	\$2,431,738
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$0</b>	<b>\$148,942</b>
<b>Unutilized FTE</b>			<b>3.8</b>

## Budget Request: Electrical Commission - Informational (1036)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$2,207,175	\$2,431,738	\$2,580,680	\$2,789,644	\$2,789,644	\$2,789,644	\$0
<b>Total</b>	<b>\$2,207,175</b>	<b>\$2,431,738</b>	<b>\$2,580,680</b>	<b>\$2,789,644</b>	<b>\$2,789,644</b>	<b>\$2,789,644</b>	<b>\$0</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Electrical Commission - Info	\$2,207,175	\$2,431,738	\$2,580,680	\$2,789,644	\$2,789,644	\$2,789,644	\$0
<b>Total</b>	<b>\$2,207,175</b>	<b>\$2,431,738</b>	<b>\$2,580,680</b>	<b>\$2,789,644</b>	<b>\$2,789,644</b>	<b>\$2,789,644</b>	<b>\$0</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$1,722,031</b>	<b>\$1,770,833</b>	<b>\$1,991,498</b>	<b>\$2,077,055</b>	<b>\$2,077,055</b>	<b>\$2,077,055</b>	<b>\$0</b>
Salaries	\$1,348,930	\$1,384,786	\$1,514,884	\$1,591,383	\$1,591,383	\$1,591,383	\$0

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Benefits	\$373,101	\$386,047	\$476,614	\$485,672	\$485,672	\$485,672	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$485,144	\$660,905	\$739,182	\$712,589	\$712,589	\$712,589	\$0
Travel	\$261,251	\$247,096	\$341,960	\$328,082	\$328,082	\$328,082	\$0
Contractual Services	\$167,751	\$366,594	\$335,522	\$339,757	\$339,757	\$339,757	\$0
Supplies	\$38,488	\$36,289	\$45,700	\$26,750	\$26,750	\$26,750	\$0
Capital Outlay	\$15,989	\$10,926	\$16,000	\$18,000	\$18,000	\$18,000	\$0
Other Expenses and Budgeted Operating Transfers Out	\$1,664	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2,207,175	\$2,431,738	\$2,730,680	\$2,789,644	\$2,789,644	\$2,789,644	\$0
Full-Time Equivalent (FTE)	19.88	19.29	23.1	23.3	23.3	23.3	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
STATE ELECTRICAL COMMISSION	\$0	\$0	\$2,789,644	0.0%	0.0%	100.0%

## Revenues and Statistics: Electrical Commission - Informational (1036)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Examination Fees	\$18,540	\$26,300	\$20,000	\$20,000
Re-examination Fees	\$2,800	\$1,380	\$2,900	\$2,900
License Fees	\$226,499	\$376,550	\$225,700	\$626,480
Miscellaneous Income	\$197	\$460	\$400	\$400
Interest Income	\$6,924	\$29,029	\$10,000	\$10,000
Inspection Fees	\$1,437,410	\$1,229,099	\$1,450,000	\$2,175,000
Reinspection Fees	\$27,753	\$4,705	\$130,000	\$227,500
Wiring Permits	\$161,685	\$152,245	\$154,695	\$206,260
Reciprocity Fees	\$23,920	\$36,380	\$26,000	\$26,000
Administrative & Re-instatement Penalty Fees	\$39,650	\$1,730	\$77,900	\$125,800
Undertaking Fees	\$4,950	\$8,650	\$5,000	\$155,800
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Licenses Renewed/New	1,552/1,317	4,242/1,471	2,650/1,600	4,242/1,471
Practitioners	6,376	5,296	7,000	7,000
Examinations:				
Applicants Examined/Passed	345/205	405/244	350/200	405,244
Complaints:				
Received/Investigated/Resolved	1/1/1	6/6/6	5/5/5	5/5/5
Hearings Held		1	1	1
Inspections	33,299	44,187	44,000	44,000
Audits	1			
Applicants Denied SD Licensure	68	19	25	25
Board Meetings Held	4	5	5	5



## Real Estate Commission - Informational (1037)

To protect the interest of the public when engaged in a real estate transaction; to enforce standards for education, licensing, practice of real estate brokers, salespersons, auctioneers, property managers, residential rental agents, home inspectors, property managers, timeshare agents, and the registration of condominium, timeshare, and subdivision projects.

• Carol Lawhun, Chair

• Melissa Miller, Executive Director

## Major Items Summary: Real Estate Commission - Informational (1037)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$709,653</b>	<b>\$709,653</b>	<b>4.6</b>	<b>\$0</b>	<b>\$0</b>	<b>\$709,653</b>	<b>\$709,653</b>	<b>4.6</b>
1. Real Estate Commission Employees Shared Employees Shift	\$0	\$0	\$46,608	\$46,608	0.6	\$0	\$0	\$46,608	\$46,608	0.6
<b>FY 2026 Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$756,261</b>	<b>\$756,261</b>	<b>5.2</b>	<b>\$0</b>	<b>\$0</b>	<b>\$756,261</b>	<b>\$756,261</b>	<b>5.2</b>
Change from Base Budget	\$0	\$0	\$46,608	\$46,608	0.6	\$0	\$0	\$46,608	\$46,608	0.6
% Change from Base Budget	0.0%	0.0%	6.6%	6.6%	13.0%	0.0%	0.0%	6.6%	6.6%	13.0%

### 1. Real Estate Commission Employees Shared Employees Shift

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$46,608	\$46,608	0.60
Governor's Recommendation	\$0	\$0	\$46,608	\$46,608	0.60

The agency requests an increase of **\$46,608** in **other fund** expenditure authority and an increase of **0.6** FTE for shifting shared staff from the Board of Massage Therapy to the Real Estate Commission. REC employees discontinued support for the BMT. REC employees now work entirely on the REC's work.

In FY2024, 0.6 FTE and corresponding other fund expenditure authority was reduced from the Real Estate Commission budget and added to the Massage Therapy Board budget. This shift back is 0.2 FTE for the Executive Director, and 0.4 FTE for the Senior Secretary.

*The governor recommends this request.*

## Reversions and Unutilized FTE (1037)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$620,225
Pool Distributions	\$0	\$0	\$55,529
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$5,370
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$681,124
FY2024 Expenditures	\$0	\$0	\$440,480
<b>Reversion of Authority Unutilized FTE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$240,644 (0.1)</b>

## Budget Request: Real Estate Commission - Informational (1037)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$355,569	\$440,480	\$681,124	\$709,653	\$756,261	\$756,261	\$46,608
<b>Total</b>	<b>\$355,569</b>	<b>\$440,480</b>	<b>\$681,124</b>	<b>\$709,653</b>	<b>\$756,261</b>	<b>\$756,261</b>	<b>\$46,608</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Real Estate Commission - Info	\$355,569	\$440,480	\$681,124	\$709,653	\$756,261	\$756,261	\$46,608
<b>Total</b>	<b>\$355,569</b>	<b>\$440,480</b>	<b>\$681,124</b>	<b>\$709,653</b>	<b>\$756,261</b>	<b>\$756,261</b>	<b>\$46,608</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$312,650</b>	<b>\$373,140</b>	<b>\$435,187</b>	<b>\$461,579</b>	<b>\$508,187</b>	<b>\$508,187</b>	<b>\$46,608</b>
Salaries	\$238,754	\$283,394	\$336,962	\$358,130	\$392,800	\$392,800	\$34,670
Benefits	\$73,895	\$89,746	\$98,225	\$103,449	\$115,387	\$115,387	\$11,938
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$42,919</b>	<b>\$67,339</b>	<b>\$245,937</b>	<b>\$248,074</b>	<b>\$248,074</b>	<b>\$248,074</b>	<b>\$0</b>
Travel	\$2,604	\$972	\$40,407	\$43,947	\$43,947	\$43,947	\$0
Contractual Services	\$34,730	\$55,025	\$176,715	\$175,312	\$175,312	\$175,312	\$0
Supplies	\$2,910	\$7,208	\$26,500	\$26,500	\$26,500	\$26,500	\$0
Capital Outlay	\$2,489	\$3,937	\$2,315	\$2,315	\$2,315	\$2,315	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Other Expenses and Budgeted Operating Transfers Out	\$187	\$197	\$0	\$0	\$0	\$0	\$0
Total	\$355,569	\$440,480	\$681,124	\$709,653	\$756,261	\$756,261	\$46,608
Full-Time Equivalent (FTE)	4.27	4.63	4.5	4.6	5.2	5.2	0.6

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
ADMINISTRATIVE SERVICES	\$0	\$0	\$756,261	0.0%	0.0%	100.0%

## Revenues and Statistics: Real Estate Commission - Informational (1037)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Application Fees	\$89,705	\$90,110	\$89,225	\$90,000
New License Fees	\$47,046	\$45,336	\$44,500	\$44,500
Renewal Fees	\$273,010	\$287,660	\$282,300	\$288,000
Materials Sold	\$10,414	\$9,026	\$10,000	\$9,500
Interest Income	\$3,903	\$15,814	\$20,000	\$10,000
Changes of Address	\$10,710	\$13,205	\$10,000	\$13,000
Certificates of Licensure	\$4,425	\$4,860	\$4,350	\$5,000
Late Renewal Fees	\$19,800	\$23,540	\$22,000	\$24,000
Penalties	\$4,813	\$8,513	\$6,000	\$8,000
Miscellaneous	\$4,787	\$2,237	\$6,000	\$4,000
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Licenses Renewed/New	1,871/477	2,202/367	2,000/350	2,320/360
Practitioners	4,278	4,467	4,300	4,300
Examinations:				
Nationally Prepared (Times Given)	562	413	450	450
Applicants Examined/Passed	431/399	396/413	375/325	375/325
State Prepared (Times Given)	602	394	400	400
Applicants Examined/Passed	491/478	302/298	375/300	375/325
Applicants Reexamined/Passed	259/248	210/195	250/200	250/200
Complaints:				
Received/Investigated/Resolved	52/52/52	36/36/34	50/50/50	50/50/50
Hearings Held/Pending	1/0	0/0	1/0	1/2
Licensees Reprimanded/Probationed	41	34	40	40
Licenses Suspended/Revoked			1	1
No Action Taken Against Licensee	9	8	10	10
Inspections (condos)	4	5	6	5
Audits	201	198	200	200
Applicants Denied SD Licensure			1	1
Board Meetings Held	7	7	6	6

## Abstracters Board of Examiners - Informational (1038)

To issue abstracter's licenses to qualified applicants; to examine and license new title plants and those changing ownership to maintain quality and compliance; to monitor and ensure the quality of services provided by licensees; and to promote continuing education for licensees.

•Dan Roe, President

•Brooke Tellinghuisen, Executive Secretary

## Major Items Summary: Abstracters Board of Examiners - Informational (1038)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$62,035</b>	<b>\$62,035</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$62,035</b>	<b>\$62,035</b>	<b>0.0</b>
1. Abstracters Management Consultant, Central Services, and Freight Costs	\$0	\$0	\$2,978	\$2,978	0.0	\$0	\$0	\$2,978	\$2,978	0.0
2. Abstracters Travel Inflation	\$0	\$0	\$4,378	\$4,378	0.0	\$0	\$0	\$4,378	\$4,378	0.0
<b>FY 2026 Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$69,391</b>	<b>\$69,391</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$69,391</b>	<b>\$69,391</b>	<b>0.0</b>
Change from Base Budget	\$0	\$0	\$7,356	\$7,356	0.0	\$0	\$0	\$7,356	\$7,356	0.0
% Change from Base Budget	0.0%	0.0%	11.9%	11.9%	0.0%	0.0%	0.0%	11.9%	11.9%	0.0%

### 1. Abstracters Management Consultant, Central Services, and Freight Costs

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$2,978	\$2,978	0.00
Governor's Recommendation	\$0	\$0	\$2,978	\$2,978	0.00

The agency requests an increase of **\$2,978** in **other fund** expenditure authority for management consultant, central services, freight costs, and office supplies.

*The governor recommends this request.*

### 2. Abstracters Travel Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$4,378	\$4,378	0.00
Governor's Recommendation	\$0	\$0	\$4,378	\$4,378	0.00

The agency requests an increase of **\$4,378** in **other fund** expenditure authority for increased in-state travel expenses being experienced by the Abstracters Board of Examiners.

*The governor recommends this request.*

## Reversions and Unutilized FTE (1038)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$56,632
Pool Distributions	\$0	\$0	\$851
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$0
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$57,483
FY2024 Expenditures	\$0	\$0	\$50,808
<b>Reversion of Authority Unutilized FTE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,675 0.0</b>

## Budget Request: Abstracters Board of Examiners - Informational (1038)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$46,650	\$50,808	\$57,483	\$62,035	\$69,391	\$69,391	\$7,356
<b>Total</b>	<b>\$46,650</b>	<b>\$50,808</b>	<b>\$57,483</b>	<b>\$62,035</b>	<b>\$69,391</b>	<b>\$69,391</b>	<b>\$7,356</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Abstracters Bd of Examiners - Info	\$46,650	\$50,808	\$57,483	\$62,035	\$69,391	\$69,391	\$7,356
<b>Total</b>	<b>\$46,650</b>	<b>\$50,808</b>	<b>\$57,483</b>	<b>\$62,035</b>	<b>\$69,391</b>	<b>\$69,391</b>	<b>\$7,356</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$3,546</b>	<b>\$1,766</b>	<b>\$8,928</b>	<b>\$12,690</b>	<b>\$12,690</b>	<b>\$12,690</b>	<b>\$0</b>
Salaries	\$3,193	\$1,603	\$7,849	\$12,077	\$12,077	\$12,077	\$0
Benefits	\$353	\$163	\$1,079	\$613	\$613	\$613	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$43,104</b>	<b>\$49,042</b>	<b>\$54,555</b>	<b>\$49,345</b>	<b>\$56,701</b>	<b>\$56,701</b>	<b>\$7,356</b>
Travel	\$4,004	\$6,434	\$9,709	\$4,473	\$8,851	\$8,851	\$4,378
Contractual Services	\$39,100	\$42,220	\$43,696	\$43,722	\$46,500	\$46,500	\$2,778
Supplies	\$0	\$387	\$1,150	\$1,150	\$1,350	\$1,350	\$200
<b>Total</b>	<b>\$46,650</b>	<b>\$50,808</b>	<b>\$63,483</b>	<b>\$62,035</b>	<b>\$69,391</b>	<b>\$69,391</b>	<b>\$7,356</b>

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Full-Time Equivalent (FTE)	0.01						0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
ABSTRACTERS BOARD OF EXAMINERS	\$0	\$0	\$69,391	0.0%	0.0%	100.0%

Revenues and Statistics: Abstracters Board of Examiners - Informational (1038)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Examination Fees	\$4,500	\$5,250	\$6,000	\$6,000
Reexamination Fees	\$400	\$425	\$450	\$450
New License Fees	\$1,400	\$2,800	\$1,500	\$1,500
Renewal Fees	\$35,140	\$41,090	\$42,730	\$42,730
Materials Sold	\$900	\$500	\$1,000	\$1,000
Interest Income	\$3,674	\$7,686	\$5,000	\$5,000
Misc Revenue	\$2,893	\$3,540		
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Licenses Renewed	74	83	78	78
New Licenses	3	3	3	3
Practitioners	162	145	165	165
Examinations:				
State Prepared (Times Given)	4	6	3	3
Applicants Examined	20	15	15	15
Applicants Reexamined	9	7	9	9
Complaints:				
Received/Investigated/Resolved	0/0/0	0/0/0	1/1/1	1/1/1
Hearings Held				
Miscellaneous:				
Inspections	3		3	3
Inquiries Received and Answered	125	125	125	125
Board Meetings Held	4	5	4	4

South Dakota Athletic Commission - Informational (1039)

To minimize injury risk and promote safety, to the extent possible, for all participants in the boxing, kickboxing and mixed martial arts competitions through the enforcement of statutes and rules to regulate such events.

•Dr. Verle Valentine, Chair	•Jennifer Stalley, Executive Director
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Major Items Summary: South Dakota Athletic Commission - Informational (1039)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2026 Base Budget	\$0	\$0	\$65,805	\$65,805	0.0	\$0	\$0	\$65,805	\$65,805	0.0
1. Athletic Commission Management and Administration	\$0	\$0	\$13,000	\$13,000	0.0	\$0	\$0	\$13,000	\$13,000	0.0
FY 2026 Total Budget	\$0	\$0	\$78,805	\$78,805	0.0	\$0	\$0	\$78,805	\$78,805	0.0
Change from Base Budget	\$0	\$0	\$13,000	\$13,000	0.0	\$0	\$0	\$13,000	\$13,000	0.0
% Change from Base Budget	0.0%	0.0%	19.8%	19.8%	0.0%	0.0%	0.0%	19.8%	19.8%	0.0%

1. Athletic Commission Management and Administration

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$13,000	\$13,000	0.00
Governor's Recommendation	\$0	\$0	\$13,000	\$13,000	0.00

The agency requests an increase of \$13,000 in other fund expenditure authority for the Executive Director’s contract. This Commission is managed by a contracted Executive Director instead of State staff. This contract’s maximum amount has grown over the past few years due to inflation. This budget request is to adjust authority to reflect what the maximum contract amount is now.

The governor recommends this request.



## Reversions and Unutilized FTE (1039)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$59,995
Pool Distributions	\$0	\$0	\$1,132
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$0
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$61,127
FY2024 Expenditures	\$0	\$0	\$44,701
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,426</b>
<b>Unutilized FTE</b>			<b>0.0</b>

## Budget Request: South Dakota Athletic Commission - Informational (1039)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$47,126	\$44,701	\$61,127	\$65,805	\$78,805	\$78,805	\$13,000
<b>Total</b>	<b>\$47,126</b>	<b>\$44,701</b>	<b>\$61,127</b>	<b>\$65,805</b>	<b>\$78,805</b>	<b>\$78,805</b>	<b>\$13,000</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
South Dakota Athletic Commission - Info	\$47,126	\$44,701	\$61,127	\$65,805	\$78,805	\$78,805	\$13,000
<b>Total</b>	<b>\$47,126</b>	<b>\$44,701</b>	<b>\$61,127</b>	<b>\$65,805</b>	<b>\$78,805</b>	<b>\$78,805</b>	<b>\$13,000</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$1,986</b>	<b>\$1,281</b>	<b>\$13,102</b>	<b>\$17,089</b>	<b>\$17,089</b>	<b>\$17,089</b>	<b>\$0</b>
Salaries	\$1,761	\$1,183	\$11,529	\$15,742	\$15,742	\$15,742	\$0
Benefits	\$224	\$98	\$1,573	\$1,347	\$1,347	\$1,347	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$45,140</b>	<b>\$43,420</b>	<b>\$71,025</b>	<b>\$48,716</b>	<b>\$61,716</b>	<b>\$61,716</b>	<b>\$13,000</b>
Travel	\$2,677	\$1,700	\$3,877	\$4,539	\$4,539	\$4,539	\$0
Contractual Services	\$41,874	\$41,540	\$66,048	\$43,077	\$56,077	\$56,077	\$13,000
Supplies	\$588	\$180	\$1,100	\$1,100	\$1,100	\$1,100	\$0
<b>Total</b>	<b>\$47,126</b>	<b>\$44,701</b>	<b>\$84,127</b>	<b>\$65,805</b>	<b>\$78,805</b>	<b>\$78,805</b>	<b>\$13,000</b>

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Full-Time Equivalent (FTE)	0.01						0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BOXING COMMISSION FUND	\$0	\$0	\$78,805	0.0%	0.0%	100.0%

Revenues and Statistics: South Dakota Athletic Commission - Informational (1039)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Event Fee	\$18,743	\$23,453	\$24,000	\$24,000
Promoter License	\$1,200	\$1,200	\$1,200	\$1,200
Matchmaker License	\$200		\$200	\$200
Manager License			\$100	\$100
Contestant Registration	\$4,600	\$3,600	\$6,000	\$6,000
Judge Registration	\$650	\$600	\$500	\$500
Referee Registration	\$300	\$300	\$300	\$300
Second Registration	\$4,200	\$3,225	\$3,500	\$3,500
Timekeeper Registrations	\$50	\$75	\$75	\$75
Interest Income	\$1,112	\$2,787	\$1,000	\$1,000
Amateur Exemption Fee	\$100	\$100	\$100	\$100
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Events monitored	5	4	8	8
Promoters Licensed	4	3	3	3
Contestant Registrations	92	72	120	120
Matchmakers	1		1	1
Managers			1	1
Judges	13	12	10	10
Referees	6	6	6	6
Timekeepers	2	3	3	3
Second Registrations	168	129	140	140
Amateur Association Exemption Fee	1	1	1	1

## Banking (10610)

The mission of the Division of Banking is to charter, license, regulate, supervise and provide guidance to South Dakota financial entities in order to instill consumer confidence, protect consumer interests and promote economic stability through a common sense, efficient and risk-focused approach.

### Major Items Summary: Banking (10610)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,144,665</b>	<b>\$6,144,665</b>	<b>41.5</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,144,665</b>	<b>\$6,144,665</b>	<b>41.5</b>
1. Division of Banking Salary Schedule	\$0	\$0	\$646,640	\$646,640	0.0	\$0	\$0	\$646,640	\$646,640	0.0
2. Insurance Premiums Inflation	\$0	\$0	\$19,622	\$19,622	0.0	\$0	\$0	\$19,622	\$19,622	0.0
3. Policy/Data Analyst FTE	\$0	\$0	\$91,935	\$91,935	1.0	\$0	\$0	\$91,935	\$91,935	1.0
4. Sioux Falls One Stop	\$0	\$0	\$331,124	\$331,124	0.0	\$0	\$0	\$368,440	\$368,440	0.0
5. Trust Examiner FTE	\$0	\$0	\$237,164	\$237,164	2.0	\$0	\$0	\$237,164	\$237,164	2.0
<b>FY 2026 Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,471,150</b>	<b>\$7,471,150</b>	<b>44.5</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,508,466</b>	<b>\$7,508,466</b>	<b>44.5</b>
Change from Base Budget	\$0	\$0	\$1,326,485	\$1,326,485	3.0	\$0	\$0	\$1,363,801	\$1,363,801	3.0
% Change from Base Budget	0.0%	0.0%	21.6%	21.6%	7.2%	0.0%	0.0%	22.2%	22.2%	7.2%

#### 1. Division of Banking Salary Schedule

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$646,640	\$646,640	0.00
Governor's Recommendation	\$0	\$0	\$646,640	\$646,640	0.00

The agency requests an increase of **\$646,640** in **other fund** expenditure authority for inflationary increases for staff compensation based on the Division of Banking's salary schedule. The Banking division maintains a unique salary schedule which compensates employees based on trainings completed and career development within the division. The Banking division has its own salary schedule in order to remain competitive with the financial industry in South Dakota.

*The governor recommends this request.*

2. Insurance Premiums Inflation

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$19,622	\$19,622	0.00
Governor's Recommendation	\$0	\$0	\$19,622	\$19,622	0.00

The agency requests an increase of \$19,622 in other fund expenditure authority for inflationary increases in insurance premiums. These are premiums paid to the Trust Captive Insurance company. As more trust companies register in South Dakota, insurance premiums charged to the Banking division increase.

The governor recommends this request.

3. Policy/Data Analyst FTE

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$91,935	\$91,935	1.00
Governor's Recommendation	\$0	\$0	\$91,935	\$91,935	1.00

The agency requests an increase of \$91,935 in other fund expenditure authority and an increase of 1.0 FTE for one Baking division Policy/Data Analyst that is needed to keep up with the growth in the number of licensee applications submitted to the Banking divisions annually.

- The division has seen the following growth from FY2014 to FY2024:
- Money lenders: From 401 in FY14 to 563 in FY24
  - Money Transmitters: 51 to 187 - Mortgage Lender: 241 to 393
  - Mortgage Broker: 14 to 62
  - Mortgage Loan Originators: 1,540 to 3,515

The governor recommends this request.

4. Sioux Falls One Stop

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$331,124	\$331,124	0.00
Governor's Recommendation	\$0	\$0	\$368,440	\$368,440	0.00

The agency requests an increase of **\$317,779** in **general funds** and an increase of **\$331,124** in **other fund** expenditure authority for Sioux Falls One Stop rent and utilities for the Jobs Services and Banking divisions.

- \$317,779 for the Job Service office rent in Sioux Falls and electricity for estimated utility increases.
- The Job Service division is moving into the new Sioux Falls One-Stop due to the landlord not renewing the lease for the current location. Also, the current location does not have enough capacity for the number of staff and services provided by Sioux Falls Job Service.
- \$331,124 increase in revenue bond lease expense for increases in rent for the Division of Banking in Sioux Falls, and electricity for estimated utility expenses in the new space.
- The division is moving into the new Sioux Falls One-Stop in FY2026 due to the previous location being too small for the number of staff now working in the division in that location.

The governor recommends an increase of **\$365,193** in **general funds** and an increase of **\$368,440** in **other fund** expenditure authority.

5. Trust Examiner FTE

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$237,164	\$237,164	2.00
Governor's Recommendation	\$0	\$0	\$237,164	\$237,164	2.00

The agency requests an increase of **\$237,164** in **other fund** expenditure authority and an increase of **2.0** FTE for two additional trust company examiners. They're needed to complete statutorily required examinations of trust companies. The number of companies chartered in South Dakota continues to grow. Staff are funded with fees charged to trust companies.

The governor recommends this request.

## Reversions and Unutilized FTE (10610)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$4,941,590
Pool Distributions	\$0	\$0	\$359,939
Supplemental Changes	\$0	\$0	\$260,053
Agency Adjustments	\$0	\$0	\$26,383
Transfers	\$0	\$0	\$1,000,000
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$6,587,965
FY2024 Expenditures	\$0	\$0	\$6,388,249
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$0</b>	<b>\$199,716</b>
<b>Unutilized FTE</b>			<b>1.7</b>

## Budget Request: Banking (10610)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$4,918,951	\$6,388,249	\$6,587,965	\$6,144,665	\$7,471,150	\$7,508,466	\$1,363,801
<b>Total</b>	<b>\$4,918,951</b>	<b>\$6,388,249</b>	<b>\$6,587,965</b>	<b>\$6,144,665</b>	<b>\$7,471,150</b>	<b>\$7,508,466</b>	<b>\$1,363,801</b>

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Banking	\$4,918,951	\$6,388,249	\$6,587,965	\$6,144,665	\$7,471,150	\$7,508,466	\$1,363,801
<b>Total</b>	<b>\$4,918,951</b>	<b>\$6,388,249</b>	<b>\$6,587,965</b>	<b>\$6,144,665</b>	<b>\$7,471,150</b>	<b>\$7,508,466</b>	<b>\$1,363,801</b>

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$3,856,147</b>	<b>\$4,321,308</b>	<b>\$4,366,068</b>	<b>\$4,888,524</b>	<b>\$5,832,756</b>	<b>\$5,832,756</b>	<b>\$944,232</b>
Salaries	\$3,091,119	\$3,447,056	\$3,456,103	\$3,865,057	\$4,662,340	\$4,662,340	\$797,283
Benefits	\$765,028	\$874,252	\$909,965	\$1,023,467	\$1,170,416	\$1,170,416	\$146,949

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$1,062,804</b>	<b>\$2,066,942</b>	<b>\$2,221,897</b>	<b>\$1,256,141</b>	<b>\$1,638,394</b>	<b>\$1,675,710</b>	<b>\$419,569</b>
Travel	\$180,144	\$167,997	\$234,264	\$252,613	\$259,013	\$259,013	\$6,400
Contractual Services	\$829,309	\$917,912	\$960,108	\$975,403	\$1,349,756	\$1,387,072	\$411,669
Supplies	\$19,007	\$13,988	\$20,000	\$20,600	\$22,100	\$22,100	\$1,500
Capital Outlay	\$34,343	\$967,045	\$1,007,525	\$7,525	\$7,525	\$7,525	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Total	\$4,918,951	\$6,388,249	\$6,587,965	\$6,144,665	\$7,471,150	\$7,508,466	\$1,363,801
Full-Time Equivalent (FTE)	35.7	37.76	39.5	41.5	44.5	44.5	3.0

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
BANKING SPECIAL REVENUE FUND	\$0	\$0	\$7,508,466	0.0%	0.0%	100.0%

## Revenues and Statistics: Banking (10610)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Mortgage Lender Renewal and Application	\$232,300	\$237,700	\$250,000	\$250,000
Banking Revolving Fund:				
Bank Examination Fee	\$2,018,006	\$1,839,034	\$1,900,000	\$2,000,000
Trust Company Examination Fee	\$627,071	\$552,959	\$600,000	\$650,000
Money Lenders Renewal and Applications	\$480,200	\$528,600	\$530,000	\$535,000
Other License Fees				
Money Transmitter Renewal and Application	\$194,200	\$177,500	\$185,000	\$200,000
Mortgage Broker Renewal and Application	\$23,180	\$28,130	\$28,500	\$29,000
Mortgage Loan Originator Renewal and Application	\$434,310	\$348,000	\$348,500	\$349,000
Trust Company Supervision Fee	\$1,375,638	\$1,435,274	\$1,440,000	\$1,500,000
Investment Council Interest	\$45,676	\$152,475	\$153,000	\$153,000
Other Banks and Loans	\$14,000	\$15,500		
Trust Company Charter Fees (General Fund)	\$45,000	\$15,000	\$20,000	\$20,000
Mortgage Settlement		\$216,136		
Licensing Examination Fees	\$81,459	\$59,474	\$60,000	\$60,500
<b>Performance Indicators</b>	<b>Actual FY 2023</b>	<b>Actual FY 2024</b>	<b>Estimated FY 2025</b>	<b>Estimated FY 2026</b>
Institutions Examined:				
Licensees (on-site)	19	15	17	17
Banks	15	13	14	14
Trust Companies	41	44	45	50
Licenses Issued or Renewed:				
Money Lenders/Money Orders	517/192	563/187	570/190	570/190
Mortgage Lenders/Brokers	388/50	393/62	395/65	395/65
Mortgage Loan Originator	4,292	3,515	3,520	3,525
Charters Cancelled: Banks/Bank Branches	0/5	2/2	1/2	1/2
Total Assets of Banks Supervised	\$22,765,906,000	\$24,781,181,000	\$25,276,804,000	\$25,782,340,000
Total Assets of Trust Companies Supervised	\$590,160,973,000	\$666,416,108,000	\$679,744,430,000	\$693,339,319,000



## Trust Captive Insurance Company - Informational (10612)

The mission is to provide insurance coverage for the potential administrative and examination costs associated with the failure of a trust company regulated in South Dakota.

*This informational budget was created in the 2016 legislative session.*

## Major Items Summary: Trust Captive Insurance Company - Informational (10612)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2026 Base Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$207,578</b>	<b>\$207,578</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$207,578</b>	<b>\$207,578</b>	<b>0.0</b>
1. Reinsurance Premiums	\$0	\$0	\$53,200	\$53,200	0.0	\$0	\$0	\$53,200	\$53,200	0.0
<b>FY 2026 Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$260,778</b>	<b>\$260,778</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$260,778</b>	<b>\$260,778</b>	<b>0.0</b>
Change from Base Budget	\$0	\$0	\$53,200	\$53,200	0.0	\$0	\$0	\$53,200	\$53,200	0.0
% Change from Base Budget	0.0%	0.0%	25.6%	25.6%	0.0%	0.0%	0.0%	25.6%	25.6%	0.0%

### 1. Reinsurance Premiums

	General	Federal	Other	Total	FTE
Agency Request	\$0	\$0	\$53,200	\$53,200	0.00
Governor's Recommendation	\$0	\$0	\$53,200	\$53,200	0.00

The agency requests an increase of **\$53,200** in **other fund** expenditure authority for an increase in insurance premiums is due to increasing reinsurance premium costs for the Trust Captive Insurance Company. The reinsurance premiums are increasing due to more trust companies registering in South Dakota.

*The governor recommends this request.*

## Reversions and Unutilized FTE (10612)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$0	\$206,766
Pool Distributions	\$0	\$0	\$568
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$20,000
Transfers	\$0	\$0	\$0
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$0	\$227,334
FY2024 Expenditures	\$0	\$0	\$212,460
<b>Reversion of Authority</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,874</b>
<b>Unutilized FTE</b>			<b>(0.0)</b>

Budget Request: Trust Captive Insurance Company - Informational (10612)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$197,083	\$212,460	\$227,334	\$207,578	\$260,778	\$260,778	\$53,200
Total	\$197,083	\$212,460	\$227,334	\$207,578	\$260,778	\$260,778	\$53,200

By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Trust Captive Insurance Company - Info	\$197,083	\$212,460	\$227,334	\$207,578	\$260,778	\$260,778	\$53,200
Total	\$197,083	\$212,460	\$227,334	\$207,578	\$260,778	\$260,778	\$53,200

By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$2,135	\$1,851	\$5,411	\$5,622	\$5,622	\$5,622	\$0
Salaries	\$1,682	\$1,454	\$4,651	\$4,934	\$4,934	\$4,934	\$0
Benefits	\$453	\$397	\$760	\$688	\$688	\$688	\$0

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	\$194,948	\$210,609	\$221,923	\$201,956	\$255,156	\$255,156	\$53,200
Travel	\$2,133	\$0	\$4,153	\$4,153	\$4,153	\$4,153	\$0
Contractual Services	\$192,779	\$210,609	\$217,770	\$197,803	\$251,003	\$251,003	\$53,200
Supplies	\$36	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$197,083	\$212,460	\$227,334	\$207,578	\$260,778	\$260,778	\$53,200

Full-Time Equivalent (FTE)	0.02	0.02					0.00
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Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
TRUST CO REC & LIQ CAPTIVE INS	\$0	\$0	\$260,778	0.0%	0.0%	100.0%

Revenues and Statistics: Trust Captive Insurance Company - Informational (10612)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
No data available				
Performance Indicators	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Number of Trust Companies Registered	117	117	122	127
Number of Claims Submitted to Captive				

## Insurance (1063)

The mission of the Division of Insurance is to protect the public by promoting quality assistance, providing fair industry regulation, and promoting healthy and competitive insurance and investment markets in South Dakota.

## Reversions and Unutilized FTE (1063)

	General	Federal	Other
Original Appropriation FY2024	\$0	\$43,246	\$4,227,992
Pool Distributions	\$0	\$2,187	\$469,727
Supplemental Changes	\$0	\$0	\$0
Agency Adjustments	\$0	\$0	\$35,859
Transfers	\$0	\$325,000	(\$325,000)
Reorganizations	\$0	\$0	\$0
Adjusted Appropriation FY2024	\$0	\$370,433	\$4,408,578
FY2024 Expenditures	\$0	\$255,291	\$4,117,745
<b>Reversion of Authority Unutilized FTE</b>	<b>\$0</b>	<b>\$115,142</b>	<b>\$290,833 2.4</b>

## Budget Request: Insurance (1063)

By Fund Category	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
General	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal	\$47,921	\$255,291	\$370,433	\$46,410	\$46,410	\$46,410	\$0
Other	\$3,339,725	\$4,117,745	\$4,408,578	\$4,859,996	\$4,859,996	\$4,859,996	\$0
<b>Total</b>	<b>\$3,387,646</b>	<b>\$4,373,036</b>	<b>\$4,779,011</b>	<b>\$4,906,406</b>	<b>\$4,906,406</b>	<b>\$4,906,406</b>	<b>\$0</b>
By Program	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Insurance	\$3,387,646	\$4,373,036	\$4,779,011	\$4,906,406	\$4,906,406	\$4,906,406	\$0
<b>Total</b>	<b>\$3,387,646</b>	<b>\$4,373,036</b>	<b>\$4,779,011</b>	<b>\$4,906,406</b>	<b>\$4,906,406</b>	<b>\$4,906,406</b>	<b>\$0</b>
By Object Expenditure Personnel Costs	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$2,862,124</b>	<b>\$3,512,553</b>	<b>\$3,821,454</b>	<b>\$3,957,084</b>	<b>\$3,957,084</b>	<b>\$3,957,084</b>	<b>\$0</b>
Salaries	\$2,211,034	\$2,732,359	\$2,966,039	\$3,049,898	\$3,049,898	\$3,049,898	\$0
Benefits	\$651,090	\$780,195	\$855,415	\$907,186	\$907,186	\$907,186	\$0
Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
	<b>\$525,522</b>	<b>\$860,482</b>	<b>\$957,557</b>	<b>\$949,322</b>	<b>\$949,322</b>	<b>\$949,322</b>	<b>\$0</b>

Operating Expenditures	FY 2023 Actual	FY 2024 Actual	FY 2024 Budget Revised	FY 2025 Budget	FY 2026 Agency Request	FY 2026 Governors Recommended	Change From FY2025
Travel	\$20,025	\$26,000	\$53,197	\$54,459	\$54,459	\$54,459	\$0
Contractual Services	\$481,204	\$793,757	\$816,402	\$828,543	\$828,543	\$828,543	\$0
Supplies	\$13,065	\$17,780	\$50,867	\$50,867	\$50,867	\$50,867	\$0
Capital Outlay	\$11,227	\$22,945	\$37,091	\$15,453	\$15,453	\$15,453	\$0
Total	\$3,387,646	\$4,373,036	\$4,779,011	\$4,906,406	\$4,906,406	\$4,906,406	\$0
Full-Time Equivalent (FTE)	35.74	38.28	40.7	40.7	40.7	40.7	0.00

Funding Sources (Governor's Recommended)

	General	Federal	Other	General%	Federal%	Other%
NO DESC (PRIOR)	\$0	\$46,410	\$0	0.0%	100.0%	0.0%
INSURANCE OPERATING FUND	\$0	\$0	\$4,824,972	0.0%	0.0%	99.3%
SUBSEQUENT INJURY FUND	\$0	\$0	\$35,024	0.0%	0.0%	0.7%

## Revenues and Statistics: Insurance (1063)

Revenues	Actual FY 2023	Actual FY 2024	Estimated FY 2025	Estimated FY 2026
Taxes Collected (General Fund)	\$111,747,249	\$127,688,388	\$128,000,000	\$132,000,000
Insurance Operating Fund:				
Insurance Operating Fund:				
Agent Licensing/Renewal	\$14,022,495	\$13,985,402	\$14,100,000	\$14,000,000
Misc and Legal	\$9,099	\$9,025	\$10,000	\$10,000
Retaliatory & Filing Fees	\$1,075,284	\$1,196,566	\$1,000,000	\$1,200,000
Administrative Penalties	\$550,000	\$328,607	\$350,000	\$350,000
Admin, Renewal & Supervision Fees	\$243,936	\$266,696	\$240,000	\$250,000
Producer Exam & Course Fees	\$44,535	\$55,815	\$50,000	\$50,000
Interest	\$19,528	\$51,014	\$25,000	\$50,000
Subsequent Injury Fund:				
Sub-Injury Fund Assessment			\$3,700,000	
Investment Council Interest	\$14,121	\$21,563	\$10,000	\$20,000
Continuing Education Fund:				
Agent Renewal Fees	\$64,600	\$44,560	\$60,000	\$45,000
Special Collections for Workers Comp:				
Policy Fee	\$349,818	\$368,900	\$350,000	\$350,000
Exam Fund	\$810,880	\$887,066	\$805,000	\$870,000
Securities Fund:				
Inv. Companies Notification Fees	\$28,325,700	\$27,263,400	\$27,000,000	\$26,500,000
Registration Fees	\$16,600	\$34,750	\$25,000	\$30,000
Broker-Dealer Licensing Fees	\$200,400	\$196,800	\$200,000	\$200,000
Agent Licensing Fees	\$20,904,500	\$20,998,525	\$20,000,000	\$21,000,000
Name Change Filing Fees	\$44,350	\$49,250	\$70,000	\$50,000
Extension of Registration Fees	\$4,600	\$1,750	\$3,500	\$2,500
Inv. Adviser Agent Fees	\$118,900	\$123,700	\$120,000	\$120,000
Investment Adviser Fees	\$221,400	\$219,200	\$200,000	\$215,000
Fines	\$627,028	\$330,591	\$100,000	\$300,000
Fund Interest	\$61,480	\$187,592	\$75,000	\$125,000
Misc	\$100	\$25	\$100	\$100
Franchise Fee	\$208,600	\$215,350	\$200,000	\$200,000
Other Exemptions	\$349,875	\$315,225	\$375,000	\$320,000
<b>Performance Indicators</b>	<b>Actual FY 2023</b>	<b>Actual FY 2024</b>	<b>Estimated FY 2025</b>	<b>Estimated FY 2026</b>
Insurance:				

<b>Performance Indicators</b>	<b>Actual FY 2023</b>	<b>Actual FY 2024</b>	<b>Estimated FY 2025</b>	<b>Estimated FY 2026</b>
Total Licensed/Domestic Companies	1,415/53	1,418/52	1,405/55	1,420/53
Companies Licensed/Approved Mergers	23/8	15/8	20/10	20/10
Agent Licenses Issued	30,029	30,319	31,000	30,000
Agent Appointments Issued	113,112	105,578	115,000	115,000
Agent Licenses Renewed	44,668	51,831	45,000	50,000
Renewed Appointments	312,828	312,283	310,000	310,000
Agent Appointment Cancellations	106,217	105,980	90,000	90,000
Property/Casualty Filings Reviewed	5,229	4,968	5,400	5,200
Life/Health Filings Reviewed	2,430	2,273	2,700	2,500
Consumer Complaints Closed	455	502	500	500
Enforcement/Closed Files	1,706	1,822	1,500	1,600
Continuing Education:				
Agents Paying License Renewal	3,333	2,890	3,300	2,800
Agents Exempt	212	209	210	210
Courses Reviewed	729	621	800	750
Transfer to General Fund (SDCL 4-4-4.4)	\$63,241,464	\$61,121,345	\$59,000,000	\$60,000,000
Subsequent Injury Fund:				
New Claims				
Claims Paid	44	32	40	30
Dollars Paid	\$462,158	\$403,605	\$425,000	\$400,000
Securities:				
New Securities Applications	14	16	12	14
Extension and Amendments	27	33	20	25
Private Placement/Other Exemptions	1/1,136	1/841	0/900	0/900
Invest. Co. Notice Filings-New/Total	800/22,164	477/21,269	750/22,000	750/22,000
New Franchise Applications/Renewals	289/753	336/869	300/700	300/750
Broker-Dealers/B-D Agents Licensed	1,291/135,156	1,241/139,254	1,240/115,000	1,240/120,000
Investment Advisors/IA Agents Licensed	53/1,995	56/2,074	52/1,900	52/2,000
Investment Advisors Notice Filings	1,014	1,023	950	1,000
Compliance Exams	61	59	60	60

## Budget History

FY 2025 Budget		General	Federal	Other	Total	FTE
New Permitting and Licensing software license		\$0	\$0	\$369,040	\$369,040	0.00
New FTE, Program Assistant		\$0	\$0	\$68,900	\$68,900	1.00
State Apprenticeship Program FTEs		\$0	\$0	\$610,553	\$610,553	7.00
Move five employees from Federal to General		\$0	(\$552,257)	\$0	(\$552,257)	(5.00)
Reimburse Registered Apprenticeship costs		\$0	\$0	\$900,000	\$900,000	0.00
Quest Dislocated Worker Grant		\$0	\$1,398,736	\$0	\$1,398,736	4.00
Adult Education and Literacy inflation		\$39,182	\$26,611	\$0	\$65,793	0.00
Adult Education and Literacy inflation 4% increase		\$35,427	\$0	\$0	\$35,427	0.00
Contract with Registered Apprenticeship Intermediaries		\$0	\$0	\$875,000	\$875,000	0.00
New Registered Apprenticeship Program Development and Expansion Contracts		\$0	\$0	\$100,000	\$100,000	0.00
New Contract with Advertising Consultant for Registered Apprenticeship Programs		\$0	\$0	\$25,000	\$25,000	0.00
Workshop Registration inflation		\$0	\$0	\$61,135	\$61,135	0.00
Move National Career Readiness Certificate to DOE		\$0	\$0	(\$325,000)	(\$325,000)	(1.00)
Families First Initiative FTE and PS/OE Swap		\$0	\$0	\$0	\$0	1.10
Rent Adjustments		\$252,279	\$0	\$0	\$252,279	0.00
Job Service FTE Reduction		\$0	(\$3,553,570)	\$0	(\$3,553,570)	(39.50)
Eliminate four FTEs, part of return to post-Covid operations		\$0	(\$1,309,955)	\$0	(\$1,309,955)	(4.00)
2 new FTEs, Trust Examiners		\$0	\$0	\$234,138	\$234,138	2.00
Division of Banking salary inflation		\$0	\$0	\$328,010	\$328,010	0.00
Out of state travel inflation		\$0	\$0	\$15,582	\$15,582	0.00
<b>Totals</b>		<b>\$326,888</b>	<b>(\$3,990,435)</b>	<b>\$3,262,358</b>	<b>(\$401,189)</b>	<b>(34.40)</b>
Session 2024 Supplemental and Special Appropriations		General	Federal	Other	Total	FTE
Teacher apprenticeship pathway program	HB 1201	\$800,000	\$0	\$0	\$800,000	0.00
Department of Labor and Regulation Rent	SB 52	\$109,470	\$0	\$0	\$109,470	0.00
Department of Labor and Regulation Quest Dislocated Worker Grant	SB 52	\$0	\$718,906	\$0	\$718,906	2.00
Department of Labor and Regulation Reduction in Federally Funded FTE	SB 52	\$0	(\$1,829,717)	\$0	(\$1,829,717)	(19.00)
Department of Labor and Regulation Apprenticeship Grant	SB 52	\$0	\$0	\$2,510,553	\$2,510,553	7.00
Division of Banking Operating Expenses	SB 52	\$0	\$0	\$260,053	\$260,053	0.00



Session 2024 Supplemental and Special Appropriations	Bill	General	Federal	Other	Total	FTE
Totals		\$909,470	(\$1,110,811)	\$2,770,606	\$2,569,265	(10.00)
FY 2024 Budget		General	Federal	Other	Total	FTE
Discretionary Provider Inflation		\$75,941	\$35,909	\$0	\$111,850	0.00
Removal of Reemployment Assistance Positions		\$0	(\$119,513)	\$0	(\$119,513)	(2.00)
Federal Apprenticeship Program Positions		\$0	\$303,558	\$0	\$303,558	4.00
Real Estate Commission Executive Director		\$0	\$0	(\$40,123)	(\$40,123)	(0.60)
Online Database for Boards		\$0	\$0	\$4,000	\$4,000	0.00
Board Executive Secretary Contract Inflation		\$0	\$0	\$5,300	\$5,300	0.00
Trust Examiners		\$0	\$0	\$161,524	\$161,524	2.00
Trust Captive Insurance Premiums Increase		\$0	\$0	\$94,184	\$94,184	0.00
Personal Services Authority Decrease		\$0	\$0	(\$16,607)	(\$16,607)	0.00
Regulation of Transparency in Pricing Prescription Drugs		\$0	\$0	\$398,090	\$398,090	3.00
Totals		\$75,941	\$219,954	\$606,368	\$902,263	6.40
Session 2023 Supplemental and Special Appropriations	Bill	General	Federal	Other	Total	FTE
Federal Registered Apprenticeship Program	HB 1049	\$0	\$303,558	\$0	\$303,558	4.00
Real Estate/Massage Therapy FTE Shift	HB 1049	\$0	\$0	(\$40,123)	(\$40,123)	(0.60)
Totals		\$0	\$303,558	(\$40,123)	\$263,435	3.40
FY 2023 Budget		General	Federal	Other	Total	FTE
Trust Examiners		\$0	\$0	\$147,039	\$147,039	2.00
Plumbing Inspector		\$0	\$0	\$82,840	\$82,840	1.00
Adult Education and Literacy Program Increase		\$495,420	\$0	\$0	\$495,420	0.00
Rollup Discretionary Provider Inflation		\$98,580	\$0	\$0	\$98,580	0.00
Totals		\$594,000	\$0	\$229,879	\$823,879	3.00
Session 2022 Supplemental and Special Appropriations	Bill	General	Federal	Other	Total	FTE
Reemployment System Upgrade	SB 31	\$1,500,000	\$6,500,000	\$0	\$8,000,000	0.00
Department of Labor and Regulation CAREER Grant	SB 60	\$0	\$2,100,000	\$0	\$2,100,000	0.00
Plumbing Inspector (Informational)	SB 60	\$0	\$0	\$82,840	\$82,840	1.00
Totals		\$1,500,000	\$8,600,000	\$82,840	\$10,182,840	1.00