Annual Report 2015



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Message from the Department of Labor and Regulation

Dear Friends,

2015 marked my second year serving the Department of Labor and Regulation as the Cabinet Secretary. I continue to be amazed at the diversity of the divisions which make up our agency. This is not a bad thing, but does pose unique challenges. At the same time, we impact South Dakotans in many positive ways.

Some significant accomplishments I'd like to point out include:

• Effective Jan. 1, employers saw a reduction in their unemployment insurance tax rates. Approximately 70 percent of experience-rated employers had a lower tax rate in 2015 than in 2014, which resulted in savings for South Dakota businesses and employers.

• We created a video to demonstrate what workforce training can be provided to a community. The real stories shared were set in four towns, but the individuals and businesses could have been served by any of our local offices. Public recognition events were held to celebrate the success of each participant.

• The Division of Insurance completed the national accreditation process with a five member team and will continue with our accredited designation. The reviewers felt a significant amount of positive progress had been achieved since the previous conditional approval.

As you read through this year's annual report, please think about how our programs or services touch your life personally. Our mission is to promote economic opportunity and financial security, and I think you may be surprised to realize how we've connected with you in ways you might not have thought about before.

Sincerely,

M Heltman



Marcia Hultman, Secretary



Tom Hart, Deputy Secretary

Administrative Services

Administrative Services is responsible for the internal fiscal and administrative functions of the department. Its mission is to provide timely and expert fiscal support, information, accounting, printing, purchasing, and property management to DLR staff and partner agencies to achieve department, state, and federal requirements

Income/Expenses

Total department revenue increased approximately 0.83 percent in FY15 (Table 1) with the Regulation programs and divisions (Appraisers, Banking, Securities, and Insurance) increasing approximately 0.86 percent and federal funds decreasing approximately 0.34 percent.

Transfers to the state's General Fund from the Division of Securities and Division of Insurance increased by \$7.962.404 from FY14.

Unemployment Insurance (UI) Trust Fund employer contributions decreased slightly in FY15 due to reduced tax rates. Federal contributions continue to decline as they have over the past couple of years.

Department expenditures, illustrated in Table 2, were slightly less than the previous year with modest increases in personal service expenditures for cost-of-living adjustments and a slight decrease in operating expenditures.

UI Trust Fund payments decreased by approximately 10 percent in 2015.

Department of Labor and Regulation Fund Sources		2014	2015
General Funds (state genera	al fund appropriation)	\$947,722	\$1,285,350
Federal Funds		\$25,610,867	\$25,526,238
Other Funds (licensing board & workers' compensation fees)		\$3,983,057	\$3,968,775
Other Funds (Appraisers, Banking, Securities, Insurance)		\$53,000,593	\$53,454,847
Total		\$83,542,239	\$84,235,210
Transfers to General Fund (Securities & Insurance)		\$117,496,821	\$125,459,225
Unemployment Insurance Employer Contributions		\$42,200,795	\$39,066,460
Trust Fund Federal Reimbursements		\$2,959,084	\$1,516,627
DOL Retirement Plan Fund Ending Balance (employee/employer contributions & investment earnings)		\$63,462,608	\$60,683,664

Table 1 - Department of Labor and Regulation funding sources for fiscal years 2014 and 2015 (July 1 through June 30).



Emily Ward, Administrative Services Director

Department of Labor and Regulation Annual Expenditures	2014	2015
Personnel	\$22,581,101	\$22,652,219
Operating Expenses	\$11,279,515	\$12,917,765
Job Training, Adult Education & Literacy Client Services	\$4,448,523	\$4,454,180
Total	\$38,309,139	\$40,024,164
Unemployment Insurance Benefits (state only)	\$26,128,304	\$23,757,860
DOL Retirement Plan, Retiree Benefits	\$4,308,547	\$4,345,767

Table 2 - Department of Labor and Regulation for fiscal years 2014 and 2015 (July 1 through June 30). **Retirement Fund**

Formed before the creation of the South Dakota Retirement System, the Department of Labor Employee Retirement Plan has not accepted new members since July 1, 1980. As of July 1, 2015, there were 222 retired participants and beneficiaries on the plan. There are no longer any employees contributing to the plan. As members retire, the amount the retirement fund disburses in retirement benefits increases (Table 2). Normal projections for the retirement fund are based on predicted retirements, cost-of-living adjustments (COLA) to benefit levels, and the value of the investment portfolio. This year the fund balance decreased 4.37 percent (Table 2), primarily due to stabilization of the stock market resulting in a lower return (2.64 percent) on the investment portfolio and payment benefits.

Summary

The federal grants received by the department remain flat or have decreased while expenses for employees, leased space, computers services, and more continue to increase. However, the citizens in South Dakota still demand the services provided by the department. Therefore, DLR continues to explore other funding opportunities along with administrative and program efficiencies. Revenues from other sources (taxes, fees, general funds) remain stable, allowing the Boards and Regulation divisions to pay for increasing costs.

Appraisers Certification Program

The mission of the South Dakota Appraiser Certification Program is to certify, license, and register real estate appraisers to perform real estate appraisals in South Dakota pursuant to Title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA); and to register and supervise appraisal

Appraisers by Classification	CY 2015
State-Certified General	196
State-Certified Residential	92
State-Licensed	46
State-Registered	52
Total	386

 Table 3 - Active Appraisers by Classification as of November
2015.



management companies doing business in South Dakota pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The purpose of the Appraiser Certification Program is to examine candidates, issue certificates, investigate, and administer disciplinary actions to persons in violation of the rules, statutes, and uniform standards, and approve qualifying and continuing education courses.

Table 3 shows the active appraisers by classification. Currently there are 12 inactive appraisers and approximately 100 appraisal management companies registered.

Workforce Planning, Policy & **Public Affairs**

This Division supports the entire department through a variety of functions, including:

- Leading workforce development efforts with DLR program directors, other state agencies, the Governor's Office, and community leaders:
- Managing communication areas such as advertising, public relations, media relations, constituent services, and legislative task force;
- Providing labor market information and economics data to make policy recommendations; and
- Leading organizational development and strategic planning efforts.

Workforce Development Highlights

- The Community Incentive Matching Grant program awarded nearly \$1 million in matching future funds to help communities across the state take an active role in addressing their own workforce issues. Applications addressed a variety of topics, such as housing, internships, certification and training programs, and English as a Second Language classes.
- Informational presentations about state workforce programs were delivered to a variety of groups, including legislative committee meetings, South Dakota Technology Education Association annual meeting, Governor's Office of Economic Development annual conference, Workforce Development Council guarterly meetings, International Legislators Forum, Dakotas Energy Workforce Consortium,

South Dakota Public Broadcasting South Dakota Focus and Dakota Midday programs, and South Dakota Association of Healthcare Organizations annual conference.

- All technical institute programs were cross-walked to the • appropriate Standard Occupational Classification code. Projected employment numbers and wage data was then produced for the Build Dakota Scholarship Board to consider in selecting eligible programs for its scholarship program.
- Monthly meetings were lead for the South Dakota Workforce Initiatives (SDWINS) Sub-cabinet group to communicate workforce-related projects, create consistent messaging, identify best practices, and identify collaborative opportunities for common goals.
- Geographic Solutions and it's Virtual One-Stop® modules was selected to develop common language and real time data to help create an effective workforce system and overhaul the current SDWORKS management information system.

Communications Highlights

Public Relations

- In partnership with the Attorney General's Office, news releases and PSAs were issued warning businesses to beware of poster scams from companies selling various federal agency postings.
- A video highlighting workforce training success stories was released. Recognition events were held across the state honoring the featured participants, businesses, and educators.



Dawn Dovre, Workforce Planning, Policy & Public Affairs

South Dakota Public

Broadcasting

"South Dakota Focus"

- Regular interviews were provided to the news media on employment and jobs outlooks.
- Two Governor's Column news releases featured DLR projects, the SDWINS annual report and the National Career Readiness Certificate.

e-Communications

- DLR rolled out a mobile-friendly version of SDWORKS, the state's largest jobs database. The new site provides faster download speeds, portability, and connectivity to job seekers. This offers a more convenient way of searching for work and keeping up with the needs of businesses.
- All board and commission public notices, agendas, minutes, supporting documents, and related information are posted to the State portal http://boardsandcommissions.sd.gov/ for transparency.

Special Events

 DLR local offices hosted job fairs as an opportunity for employers and job seekers to meet face-to-face and discuss aspects of the positions and their qualifications. These events were promoted on the DLR website, in news releases, and across social media.

Labor Market Information Center

Overview

The Labor Market Information Center (LMIC) collects, analyzes, and provides information on the labor market of the state to the public. This includes information such as employment levels, unemployment rates, wage data, estimates of available labor, commuting patterns, employment projections, business staffing patterns, and career and educational program planning information.

Among those who use our information are employers, career decision makers, and education, economic development, job placement, and training program planners. During calendar year 2015, the LMIC handled approximately 13,000 requests for information, including the distribution of over 14,000 publications to our users.

Grants and Funding

Most LMIC activities are funded by the U.S. Department of Labor (DOL), including grants from the Bureau of Labor Statistics (BLS) and the Employment and Training Administration (ETA). Special workforce projects are also conducted on a contract basis with other state agencies as needed.

Statistical programs conducted in cooperation with the BLS include:

- Current Employment Statistics (CES) Program
- Local Area Unemployment Statistics (LAUS) Program
- Occupational Employment Statistics (OES) Program
- Quarterly Census of Employment and Wages (QCEW) Program

The core workforce activities funded through the ETA Workforce Information Grant (WIG) include populating the Workforce Information Database (WID) and producing industry and occupational employment projections. Other key activities include providing information regarding worker levels and commuting patterns of the South Dakota workforce, economic impact analysis, and the monthly publication of the e-Labor Bulletin.

 A newsletter was sent to 27,000 employers, covering topics on unemployment insurance, minimum wage, labor law posters, mobile friendly jobs site, and workforce training.

> lobor of Search To search multiple cities or counties separate by commas. (ex: Sloux Falls, Aberdes Bowdie) Advanced Search Search SDWORKS job search screen

South Dakota Postsecondary Graduate Employment and Wage Outcomes System



The LMIC received a Workforce Data Quality Initiative (WDQI) grant of \$946,000 from the U.S. DOL to build a longitudinal database. This grant covers the July 1, 2012 - March 31, 2016 time period. The DLR contracted with the Bureau of Information and Telecommunications (BIT) to develop and build this system, which was launched during 2015. The DLR WDQI database matches unemployment insurance wage data with postsecondary program completers to develop wage outcomes to determine the effectiveness of postsecondary workforce and educational programs. Both the mean and median wages are provided for users.

The Postsecondary Graduate Outcomes System at dlr.

sd.gov/graduate outcomes provides students, job seekers, career counselors, educators, and policy makers with a better understanding about the connections between postsecondary education choices and employment outcomes.

This application can help answer questions users might have, including:

- What percent of graduates are employed in South Dakota?
- How much are those graduates earning in South Dakota?
- In what industries are graduates employed in South Dakota?

Labor Market Information Web Applications

LMIC is implementing a Geographic Solutions application for online labor market information. The system will be launched for public access in 2016. At that time, the LMIC will be linking to the Geographic Solutions system as a replacement to the current interactive online databases for the historical data sets available to all their website users. The new online system will offer users greater functionality, such as the ability to view, print, or export data on graphs and maps. The new system will also incorporate real-time labor market data to complement the historical labor market data which has traditionally been available.

Workforce Training

The Workforce Training Division provides workforce training and education

ABE Educational Functioning Level Completion	2014	2015
ABE Beginning Literacy	60%	43%
ABE Beginning Basic Education	43%	40%
ABE Intermediate Low	37%	33%
ABE Intermediate High	31%	31%
Adult Secondary Education Low	47%	41%
Adult Secondary Education High	69%	47%

Table 4 - Adult Basic Education achievements for program years 2014 and 2015 (July 1 through June 30).

programs including Workforce Investment Act youth, adult, and dislocated worker programs; Adult **Basic Education: General Educational Development** (GED®); and the National Career Readiness Certificate. It also oversees Trade Adjustment Assistance (TAA). **Disability Employment Initiative** (DEI), and National Emergency



Bill McEntaffer Workforce Training Director

Grant (NEG). The mission of Workforce Training is to develop and implement innovative workforce

Core Indicators of Performance	2014	2015
Entered Employment	55%	53%
Retained Employment	75%	74%
GED® Credential Obtained	91%	90%
Futhered Education	17%	8%

Table 6 - Core Follow-up Outcome Measure performance for program years 2014 and 2015 (July 1 through June 30).

have minimal literacy skills, learners with disabilities, single parents, displaced or dislocated workers, and those with limited English proficiency (Tables 4 through 6); other populations include unemployed and underemployed persons, young adults, and offenders in correctional institutions. These individuals may perform at lower educational levels (below the 9.0 grade level equivalency) and generally demonstrate a need for reading, writing, and math skills. Improving the literacy, numeracy, and oracy skills of our workforce leads directly to a stronger economy. The instruction, activities, and services provided by the AEL programs promote family literacy, obtainment of a high school diploma equivalency, employment, and self-sufficiency (Table 6). During the 2014-15 program year, 90 percent of the AEL program participants pursuing a GED® certificate who finished the test battery earned a GED® test credential.

Language instruction methodologies (including workplace literacy) and action research projects were priorities for the English Literacy/Civics Program (Ta 5). These programs support our non-native speaker immigrants, and former refugees in achieving lingu economic, and civic integration.

Disability Employment Initiative (DEI) Round 2

The Disability Employment Initiative (DEI) ended or March 1, 2015. It focused on partnerships, integra resource teams, and utilizing Youth Guideposts for Success. The DEI partnership committee met guarterly to discuss opportunities to partner and a individuals with disabilities. The committee will cor to meet for DEI Round 5 also. During Round 2 freq Table 5 - English as a Second Language achievements for training regarding disability topics were provided to Labor and Regulation, Adult Education and Literacy, and program years 2014 and 2015 (July 1 through June 30). Vocational Rehabilitation staff across the state. Over 300 youth were served by this project.

Disability Employment Initiative (DEI) Round 5

The DEI Round 5 project began its planning stage October 1, 2014 through March 1, 2015. The project will continue for an additional three years until March 1, 2018. It will focus on individuals with disabilities that are over age 18 and are seeking employment. The project will assist in providing in job search techniques, enhancing skill level from basic employment skills to specific job training. Each person will have an employment plan which will include a career pathway and goals to attain. The goal is to provide services to at least 75 individuals through the end of the project.

Trade Adjustment Assistance (TAA)



solutions. This will guide individuals to self-sufficiency while building a skilled workforce and strengthening the state's economy. This division's diverse set of programs is designed to aid South Dakota's workforce and help employers, employees, and job seekers.

Adult Education & Literacy (AEL)/GED® Testing Program

Our department is committed to serving adults who are most in need of literacy services. These demographics include adults who are low-income or

•					
Table ers, uistic,	ESL Educational Functioning Level Completion	2014	2015		
	ESL Beginning Literacy	34%	35%		
	ESL Beginning Low	53%	53%		
n ated	ESL Beginning High	48%	51%		
	ESL Intermediate Low	41%	46%		
assist	ESL Intermediate High	41%	56%		
ntinue quent	ESL Advanced	51%	41%		

This program is designed to assist workers who have lost their jobs	-	WIA Performance Measures	2014
as a result of those jobs to done in another country. There were no new certifications this year. Those that were affected by previous certifications are working		Participants	6,687
	Adulta	Entered Employment Rate	76.5%
	Adults	Retention Rate	84.7%
		Average Earnings	\$11,137
or finishing their training at post-	at post-	Participants	451
secondary institutions. These trainings are focused on high- demand areas.		Placement in Employment or Education	69.7%
	Youth	Attainment or Degree or Certificate	48.9%
National Emergency Grant (NEG)		Literacy or Numeracy Gains	36.1%

South Dakota had previously received a Dislocated Worker Table 7 - WIA performance measures for program years 2014 and 2015 (July 1 through June 30).

Training (DWT) National Emergency Grant (NEG) to primarily to serve long-term unemployed dislocated workers for high-demand occupations. This grant ended June 30, 2015. The goal was to serve 60; it served 65 participants. Of those 65, currently 88 percent are employed.

Workforce Investment Act (WIA) Adult, Youth, & Dislocated Worker

Adult

The number of adult participants decreased over the last year due to the stronger economy and people

Dislocated Workers	2014	2015
Participants	162	147
Entered Employment Rate	85.2%	87.3%
Retention Rate	90.7%	93.3%
Average Earnings	\$15,237	\$15,498

not looking to change occupations. The Entered **Employment Rate and Average Earnings maintained** levels compared to last year. With the economy being stronger, the lower numbers of adults being served by WIA are also in need of more attention. These participants tend to have employment barriers that need to be addressed to be good employees.

2015

4.868

83.8%

87.3%

\$11.410

207

72%

42.9%

26.3%

Youth

The WIA Youth Program provides participants a Table 8 - Core Follow-up Outcome Measure performance for systematic and coordinated approach to career services. This program serves youth ages 14 through

program years 2014 and 2015 (July 1 through June 30).

21 who are low income and have barriers to employment. These barriers may include being homeless, in foster care, pregnant or parenting, an offender, at risk for dropping out of school or have dropped out, have a disability(s), or a low literacy or numeracy rate.

The program offers assistance in completion of secondary education, alternatives to secondary school services, summer employment opportunities, work experiences, occupational skill training, leadership development opportunities, supportive services, mentoring, follow-up services, and comprehensive guidance.

The WIA Youth Program partners with Adult Education Literacy providers, Vocational Rehabilitation, Department of Corrections, Department of Social Services, and other service providers throughout the state. The youth program has plans to continue to grow in order to serve the youth who need our services the most. A youth council will be formed to provide guidance and assistance to the Youth Program Specialist. Through this council, DLR looks to continue to build our partnership with:

- The Department of Education and schools across the state.
- Vocational Rehabilitation, as together with DLR, we develop methods to best assist youth with

disabilities in their training and employment endeavors.

- Department of Corrections as WIA supports those youth who have made poor choices get back on track with their future.
- Adult Education and Literacy. Together we assist youth who are lacking basic reading and math skills improve upon these essential workplace skills.
- Department of Social Services as WIA provides intense training services to youth on public assistance or in foster care.
- Employers and training providers from in-demand sectors.
- Youth and their parents.

Dislocated Worker

The number of dislocated workers continues to decrease as the strong state economy has seen fewer layoffs. Performance measures were down slightly, as fewer numbers of people affects the measures. Also, the state is finding those not working have more barriers to employment and are at greater risk of not being successful.

The unemployment rate continued to decrease, but there is still a demand for certain occupations and a concern of being able to fill those skilled positions in the future.

The department seeks to train people for occupations where there is a high demand for workers. Those include specialty trades, mechanics, sales representatives, truck drivers, first line supervisors, welders, accountants, teachers, information technology workers, and engineers.

Eligible dislocated workers may be placed in on-the-job training, classroom training programs, or other approaches to connect them with employers.

Employment Services

The role of the Division of Employment Services (ES) role is to provide the support mechanisms for the department's workforce services mission. ES oversees several key areas:

- Foreign Labor Certification (FLC),
- Temporary Assistance for Needy Families (TANF),
- Technical Services Jobs for Veterans State Grant (JVSG),
- Senior Community Service Employment Program (SECSEP),
- Work Opportunity Tax Credit (WOTC), and
- Management Information System (MIS) SDWORKS

ES also provides support to other programs, including the Workforce Investment Act, Unemployment Insurance, and Labor and Management by providing technical assistance and support to special IT projects requested by DLR divisions.

Foreign Labor Certification

Foreign labor certification programs permit U.S. employers to hire foreign workers on a temporary or permanent basis to fill jobs essential to the U.S. economy. Certification may be obtained in cases where



Andrew Szilvasi, **Employment Services** Director

it can be demonstrated there are insufficient qualified U.S. workers available and willing to perform the work at wages that meet or exceed the prevailing wage paid for the occupation in the area of intended employment. Foreign labor certification programs are designed to assure the admission of foreign workers into the United States on a permanent or temporary basis will not adversely affect the job opportunities, wages, and working conditions of U.S. workers. Currently, the USDOL requires states to assist with the administration of H-2A, or temporary agricultural program and play a minimal role in the H-2B, or temporary non-agricultural program. During federal FY13 (the last completed year of federal disclosure data was available), DLR saw the following activity:

H-2A Temporary Agricultural

- South Dakota agricultural employers filed 123 H-2A temporary agricultural applications with 111 certified.
- There were 561 H-2A openings certified.
- Central South Dakota was the region with the most requested H-2A workers.

H-2B Temporary Non-Agricultural

- The H-2B program in South Dakota had 61 applications filed with 52 certified.
- There were 994 H2-B positions certified.
- The region with the most requested workers was eastern South Dakota.

Temporary Assistance for Needy Families (TANF)

DLR is a long-term partner of the Department of Social Services in co-administering welfare-to-work programs in South Dakota for the purpose of promoting personal responsibility and self-sufficiency. DLR delivers the TANF work activities in 54 counties which contain 48 percent of the eligible mandatory parent-case population.

DLR strives to improve the TANF participation rate because it is the principal performance outcome mandated by the U.S. Department of Health and Human Services. The federal government requires South Dakota to achieve a 50 percent participation rate in order to receive full TANF block grant funding. This federal fiscal year ended September 30, 2015. DLR reached the 46 percent of the required participation rate for the TANF clients living in DLR counties (non-reservation counties) in South Dakota, along with Department of Social Services office included.

DLR continues to provide individualized, intensive case management to all TANF households. We place a high priority on strengthening partnerships with community organizations. In cooperation with WIA

	TANF Performance Measures		
TA	NF Applicants (mandatory, from DLR counties)	3,634	1,744
Caseload	Monthly Average	153	156
	Job Entries	849	669
Employment	Job Entries with medical benefits	21%	24%
Average Starting Wage			\$9.35/ hour

Table 9 - Temporary Assistance for Needy Families activities for fiscal years 2014 and 2015 (July 1 through June 30).

programs, TANF has taken full advantage of opportunities to leverage program dollars so we can help as many eligible South Dakota families as possible. We aggressively promote education and job training.

Some of DLR's innovative TANF projects include:

- A comprehensively managed work site/skill development center in Rapid City
- A TANF disability advocate
- A designated life skills coach to work with individuals and small groups of TANF clients

DLR also makes every attempt to assist potential TANF participants with "financial diversion" opportunities prior to obtaining full TANF benefits. The diversion program is designed to assist potential TANF participants with a one-time cash payment. For example, this one-time payment could be used to purchase work and interview appropriate clothing. The diversion would assist the individual to get a good start in their employment without needing to apply for regular TANF benefits.

Technical Services

This section handles the Senior Community Service Employment Program (SCSEP), SDWORKS, veterans' services (Table 10), the Work Opportunity Tax Credit (WOTC) program (Table 11), and department project management of Information Technology (IT) projects.

SCSEP

SCSEP is a USDOL program administered by DLR with participant services now delivered by DLR as of July 1, 2015. Through this program, low-income seniors (age 55 and older) benefit from training, counseling, and community service assignments at faith-based and other local organizations, prior to transitioning into the workforce. From October 1, 2014 to September 30, 2015, the SCSEP provided services to 85 older workers age 55 and older. Participants worked a total of 54,719 hours in South Dakota communities. The average wage earned by participants was \$8.50 per hour.

SDWORKS

SDWORKS is the state's largest job database. Job seekers can create a professional profile and perform customized job searches. Employers can post job openings and search for the right employee. In PY14, (July 1, 2014-June 30, 2015), 105,151 job openings were received, and 63,523 job seekers utilized SDWORKS and received a reportable service. To make the system more user-friendly, a number of enhancements have been made to the job-seeker portion and the employer portion of the website. In February 2015, DLR launched the SDWORKS mobile-friendly site.

Veterans' Services

Every DLR local office is staffed with a trained veterans' representative who can provide job-seeking veterans with intensive services and employment assistance. They can also perform eligibility determinations for special programs and services that employ and train veterans.

Veterans' Services Goals/Performance		2014 Goal Rate	2015 Goal Rate
Veterans'	Entered Employment Rate	57% 59%	65% 75%
veterans	Employment Retention Rate	84% 82%	83% 85%
Disabled	Entered Employment Rate	54% 57%	59% 61%
Veterans'	Employment Retention Rate	85% 80%	83% 80%

Table 10 - Statewide veterans' service goals and achievements for fiscal years 2014 and 2015 (July 1 through June 30).

A workplace English project for Limited English Proficient (LEP) participants in Sioux Falls

Workforce Opportunity Tax Credit	2014	2015
Certifications	4,985	5,060
Denied Applications	4,192	4,354
Pending Applications	269	82
Conditional Applications	790	669
Total Applications	10,236	10,165
Acceptance	48.7%	48.7%
Tax Dollar Savings	\$13,072,800	\$13,498,800

WOTC

The Workforce Opportunity Tax Credit is a federal income tax credit that encourages employers to hire those with that experience high unemployment rates due to employment barriers. WOTC program (Table 11) continued its performance during the fiscal year, producing 5.060 certifications, an increase of 75 certifications from 2014. The program saved South Dakota employers \$13.4 million in tax

credits.

Table 11 - Workforce Opportunity Tax Credit activities for federal fiscal years 2014 and 2015 (October 1 through September 30).

Field Operations

The Division of Field Operations is responsible for the local South Dakota Department of Labor and Regulation offices in communities across the state. Its 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.

Summary

Every year the trained professionals of the DLR local offices assist close to 31,000 job seekers and employers with their employment needs. Each office has resources for both job seekers and employers. We help job seekers identify opportunities, prepare for interviews, and obtain productive employment. We also help employers locate and hire the workers they need to grow their organizations and businesses.

The DLR local offices also administer the programs under the Divisions of Workforce Training and Employment Services. To measure our success, we set rigorous performance goals in each of the areas listed in Table 12. On average statewide, we met or exceeded goals for the number of job seekers, the average wage of successful job seekers, and the number of disabled veterans retaining employment. During PY15, employment services had 64,080 participants, down 21 percent compared to the PY14 total of 77,966 participants. There were 89,966 jobs received in PY15, which was up 3 percent from 87,211 jobs received in PY14. Several DLR local offices met their annual objectives, but were unable to bring the statewide average to the desired level.

Statewide Employment Service Goals/Performance	2014 Goal Rate	2015 Goal Rate
Entered Employment Rate	61% 60%	61% 65%
Employment Retention Rate	84% 83%	84% 85%
6 Month Average Earnings	\$12,000 \$12,103	\$12,000 \$12,759

Table 12 - Statewide employment goals and achievements for fiscal years 2014 and 2015 for Wagner Peyser. (July 1 through June 30).

Re-employment Intensive Services

Re-employment Intensive Services (RIS) was initiated on May 1, 2012, in an effort for the DLR to help put unemployment claimants back to work more quickly. A number of studies have found claim durations are shorter if more attention is given to the claimant's efforts to find work. It also ensures claimants comply with the federal and state requirements to actively seek work as a condition of receiving benefits.

Any person receiving unemployment benefits for more than 10 weeks is required to seek one-on-one assistance from a DLR local office. Trained staff help the claimant identify in-demand careers, evaluate their current skills, identify training options, and direct them to appropriate job referrals. Currently, all claimants must actively search for work. More participation in re-employment activities and job contacts will be required through this new program. Failure to participate will result in loss of unemployment benefits.

The program completed its third full year in April 2015. In PY14, a total of 1,515 people were referred to RIS. Of the 985 completing the program: 617 (62.6%) obtained employment, 106 (10.7%) exhausted benefits, and 56 (5.6%) stopped filing for unemployment. The estimated savings the third program year is \$1.4 million; total savings over the past three year totals \$3.6 million.

PY14	Non- participants	Participants	Difference
Average Duration	11 weeks	9.4 weeks	1.6 weeks
Benefits per Claimant	\$3,149	\$2,639	\$510



Michael L. Ryan, **Field Operations Director**

South Dakota Workforce **Initiatives (SDWINS)**

Gov. Dennis Daugaard's South Dakota Workforce Initiatives (SDWINS) consists of over 20 programs to address short-term and long-term workforce needs. SDWINS is a collaborative effort of business, education, health, and labor leaders to create a well-trained and well-educated workforce for the job market of today and tomorrow.

DLR is responsible for Dakota Roots and the National Career Readiness Certificate.

Dakota Roots

Dakota Roots is DLR's effort to enhance the workforce by recruiting more people into our labor force. Dakota Roots connects out-of-state individuals to in-state employment opportunities. Field Operations staff provides essential one-on-one assistance, such as providing job leads, filling out applications, writing resumes and cover letters, and sharing labor market information. The Department also provides intensive services to employers with hard-to-fill positions.

Promotional Efforts

Dakota Roots has more aggressively leveraged its marketing through ongoing general funds. The following activities took place during FY15. The target audience was Adults 25-44 with a connection to South

Dakota.



Current Participant Marketing

Monthly email tidbits were sent to all Dakota Roots job seekers focusing on jobs and quality of life elements. This digital engagement strategy has proven effective in seekers reactivating their job search. The total send averaged 10,723 each month, with a 34.31% average of emails opened.

Digital Lead Generation Marketing: North Dakota, Minnesota, Iowa, Nebraska, Denver, CO

Text ads were used in a pay-per-click search campaign targeting potential visitors to the Dakota Roots website and people with interests in relocating to South Dakota and finding

employment. There were 2,309,473 impressions and 10,704 website clicks. (Nine months: September

- January and April - July)

On Facebook, sponsored posts and tile ads were deployed using geo and interest targeting. Nebraska and Minnesota were the most responsive geographies. There were 1,133,714 impressions and 4,759 website clicks. (Six months: October - January and April - June)

Digital Awareness Marketing

A web banner was used on the homepage and article pages of SouthDakotamagazine.com for six months. Average impressions per month were 19,062, and an average of 57 clicks per month.

Print Advertising: Alumni Publications

A quarter-page print ad was inserted in the Winter and Summer issues of SDSU Alumni Magazine, STATE Magazine (390,000 impressions). A half-page ad was inserted in the Winter issue of USD Alumni Magazine, The South Dakotan (120,000 impressions).



Disruptive/Awareness Marketing

A recharging station in the Minneapolis/St. Paul airport, Concourse G, was wrapped as a double-sided unit with end caps during the holiday travel season of November and December. The creative ended up staying until the end of August, giving the campaign eight extra months of exposure. Impressions totaled 9,650,000.

Dakota Roots was a game sponsor during USD's "Dakota Days" homecoming. This included a hospitality display space and interaction with hundreds of visitors from out-of-state. The event attendance was 10,058. Additional advertising included on-field recognition, PA announcements, display board messaging, entrance signage, live radio mentions, game program cover logo, and game program insert.

Statistics



- 811 1. Minnesota
- 342 2. Nebraska
- North Dakota 334 3.
- 304 4. lowa
- 5. Colorado 232



	2014	2015*	Total
	4,146	1,676	26,431
S	421	452	4,212

Table 14 - Dakota Roots was launched on October 20, 2006.

Top 10 States of Total Entered Employments

6. California	155
7. Wyoming	140
8. Wisconsin	139
9. Texas	136
10. Florida	108



National Career Readiness Certificate

CAREER READINESS The National Career Readiness Certificate (NCRC™) is an industry-CERTIFICATE^{*} recognized, portable, evidence-based credential issued by ACT that certifies essential skills needed for workplace success. The NCRC can be used as a staffing tool for screening, hiring and promotion, and targeting employee training and development. Under SDWINS, the purpose of the NCRC is to provide 3,200 high school students the opportunity to obtain the National Career Readiness Certificate.

Participation grew in the 2014-2015 school year to reach 600 additional students at public school districts. 92.8% of students who took the WorkKeys© assessment earned a National Career Readiness Certification at a Bronze, Silver, Gold or Platinum level.

In 2015, promotional materials were developed and provided to school counselors, students, and parents to help each group better understand the value of the NCRC. In addition, school districts received support materials and training share how the NCRC will be used as part of the state school accountability system. DLR also worked with each school district that participated in the NCRC project to identify potential business partners in their communities. Outreach was done with these businesses.

Level of NCRC Certificate Attained by Students





Corson

104 - 185 186 - 505 Campbell

McPherson



updated to South Dakota addresses, the map designates the residences of 3,025 participants.



Marshall

Source: SDWorks, prepared by the Labor Market Information Center, South Dakota Department of Labor and Regulation, January 2016.

Unemployment Insurance

The Unemployment Insurance Division administers the department's Unemployment Insurance (UI) program, whereby covered employers pay taxes into the UI Trust Fund and individuals who have lost their jobs, through no fault of their own, make claims upon the funds. It is our duty to run this complex program efficiently, effectively, and fairly, while minimizing occurrences of overpayments and fraud.

Pauline Heier, **Unemployment Insurance Division Director**

Performance

The division's performance measures (Table 15) reflects the improvement in economic conditions. This year saw an approximate decrease of 1,700 in the number of applications for benefits received for processing. Individuals receiving benefits decreased dramatically from 2014 to 2015. Because individuals are having finding new

more success					finding new
jobs, the total payments	Bene		2014	2015	number of weekly decreased
significantly.	Applications for Be	nefits	16,995	15,267	Total dollars paid
out decreased	Total Number of We	eekly Payments	96,325	84,472	by nearly \$4
million.	Number of Individu Received Benefits	als Who	6,693	5,983	
		State Benefits	\$26,128,304	\$23,757,860	
	Dollars Paid Out	Federal Claims	\$2,959,084	\$1,516,627	
		Total	\$29,087,388	\$25,274,487	
	Average Number of Payments per Clair	,	14.4	14.1	
	Maximum Weekly F	Payment	\$352	\$366	
	Average Weekly Pa	ayment	\$284	\$297	

 Table 15 – Unemployment Insurance benefits for fiscal years 2014 and 2015
(July 1 through June 30).



Our overpayment and fraud section is responsible for reducing instances of overpayment, fraudulent or otherwise, and collecting these monies from claimants. As evident in Table 16, during the past fiscal year, the amounts in every measured category decreased. We continued in our efforts to minimize overpayments and fraud.

Challenges of 2015

Our primary challenge of 2015 was to maintain successful operations in an environment of budgetary constraints and changing technology. The division staff continues to be challenged to simultaneously 18

Integrity Systems	2014	2015
Amount of Benefit Overpayment Debt	\$955,299	\$866,758
New Overpayment Cases	1,855	1,697
Percent of Cases Involving Fraud	33.4%	32.9%
Dollar Amount of Overpayment Fraud	\$319,459	\$285,270
Dollar Amount Collected Back	\$1,017,931	849,926
Number of Collection-Related Correspondence Items	8,433	7,188
Number of Civil Actions	2,488	2,024
Convictions Obtained	6	4
Cases Pending	42	32

Table 16 – Unemployment Insurance integrity systems performance measures for fiscal years 2014 and 2015 (July 1 through June 30).

Tax Administration/ New-Hire Reporting	2014	2015
Delinquent Notices	6,279	6,206
Subpoenas to Non-Compliant Employers	352	361
% Status Determinations Made Within 90 Days	85.0%	86.3%
New-Hire Reports	186,631	195,476

 Unemployment Insurance tax administration and new hire reporting for fiscal years 2014 and 2015 (July 1 through June 30).

Une Taxe State

Intere Trust (end Num (end

The trust fund balance (Table 18) continued to increase from \$72.6 million 30.2015.

make high-quality decisions, issue timely payments, respond to telephone inquiries,

and provide good customer service. In

addition, ensuring program integrity remains a top priority by addressing the

root causes of UI improper payments.

mployment Insurance Trust Fund	2014	2015
es Received for Regular e Benefits	\$42,200,795	\$39,165,451
est on Trust Fund	\$1,564,735	\$1,968,672
t Fund Balance of year)	\$72,560,715	\$96,718,867
ber of Employers of year)	26,275	26,723

on June 30, 2014 to \$96.7 million on June Table 18 - Unemployment Insurance trust fund for fiscal years 2014 and 2015 (July 1 through June 30). The income from the fund's investment portfolio increased dramatically from the previous year and the

number of employers paying into the system has increased slightly. The ending balance for the year was \$96.7 million, a distinct improvement.

Labor and Management

The Division of Labor and Management is responsible for administering the state's labor laws. Its mission is to responsively provide dispute resolution and help people through investigations, enforcement, compliance, and education of workforce and discrimination laws. The Division:

- Helps settle problems between employers and workers
- Enforces wage and hour and child-labor laws
- Answers questions about state employment laws
- Administers the state's workers' compensation system
- Provides oversight to the Division of Human Rights
- Holds hearings and mediations
- Handles labor union certifications
- Adjudicates unemployment insurance and workers' compensation appeals

Workers' Compensation

IDEIISALIUII			
Hearing and Settlement Activities	2014	2015	dispute resolution, enforcement, and
Workers' Compensation Hearings	22	13	activities
Grievance Hearings	1	1	similar to previous
Unfair Labor Practice Hearings	3	0	
Elections	0	3	
Unit Determinations	0	0	
Impasse Conciliations	4	5	
Fact Findings	2	0	
Mediations	44	70	
Conference Calls	80	59	
	Hearing and Settlement ActivitiesWorkers' Compensation HearingsGrievance HearingsUnfair Labor Practice HearingsElectionsUnit DeterminationsImpasse ConciliationsFact FindingsMediations	Hearing and Settlement Activities2014Workers' Compensation Hearings22Grievance Hearings1Unfair Labor Practice Hearings3Elections0Unit Determinations0Impasse Conciliations4Fact Findings2Mediations44	Hearing and Settlement Activities20142015Workers' Compensation Hearings2213Grievance Hearings11Unfair Labor Practice Hearings30Elections03Unit Determinations00Impasse Conciliations45Fact Findings2470

Table 19 - Hearing and settlement activities for calendar years 2014 and 2015 (as of November 1).



James Marsh, Labor and Management **Division Director**



Table 20 - Workers' compensation activities for calendar years 2014 and 2015 (as of November 1).

Unemployment Appeals	2014	2015
New Filings	864	950
Cases Ruled on or Dismissed	947	1,036
Percent Cases Decided Within 30 Days	92%	90%
Cases Awaiting Decision	59	52

Table 21 - Unemployment insurance appeals for calendar years 2014 and 2015 (as of November 1).

Human Rights Activities	2014	2015
Potential Discrimination Charges	292	387
Requests for Information	91	94
Intakes of Discrimination Complaints	134	142
Investigations Opened	76	77
Investigations Closed	58	85
EEOC Transfers	16	21
Noney Collected for Charging Parties	\$61,449	\$27,750

Μ

Table 22 - Human rights activities for calendar years 2014 and 2015 (as of November 1).

Workei	rs' Compensation Activities	2014	2015
Pre-hear	ing Conferences Held	100	147
Agreements	States Files	110	116
Approved	Hearing Files	110	140
Permanent P	artial Disabilites Approved	504	688
Permanent P	Partial Disabilities Reviewd	635	846
First Repo	ort of Injuries Received	20,475	23,763
Money	Searches, copies, mailing	\$59,795	\$60,008
Collected	Wage & Hour	\$97,414	\$50,421

Insurance

The Division of Insurance regulates and licenses the insurance industry in South Dakota. Its mission is to protect the public and make insurance available and affordable by efficiently providing quality assistance, providing fair regulation for industry, and promoting a healthy, competitive insurance market.

Duties of the division include:

- Provide regulatory oversight to protect South Dakota policyholders against financial loss due to inappropriate business practices and/or insolvency of insurance companies.
- License resident and non-resident agents.
- License insurance companies.
- License and register other insurance entities.
- Monitor licensees and registrants for compliance with existing statutes and regulations.
- Review property/casualty and life/health company rates, rules, and form filings for compliance. •
- Review and resolve consumer complaints.
- Investigate and take appropriate action with respect to licensees, registrants, and companies.
- Review and approve continuing education programs for agents and companies.

Year in Review

The Division of Insurance experienced a year of change in 2015. The division office relocated from the Anderson Building to the Pierre Professionals Building at 124 South Euclid Avenue in Pierre. The new location is easily accessible to both constituents and insurance industry representatives. Larry Deiter was named Division Director on January 8, 2015. In July 2015, Shane Mattheis accepted the Assistant Director of Property and Casualty position previously vacated by Deiter. The division continues to expand its use of technology by offering online

Performance	Indicators	2014	2015
Total Licensed/Domes	tic Companies	1,415/50	1,416/70
Domestic Companies	Financial Exams	4	3
Company Market Con	duct Exams	3	5
Companies Licensed/	Approved Mergers	9	28/16
Agent Licenses Issued	k	13,396	15,199
Agent Appointments Is	ssued	64,922	63,892
Agent Licenses Renew	ved	24,836	23,070
Resident Agent Renew	vals	1,661	3,422
Renewed Appointmen	ts	191,250	203,150
Agent Appointment Ca	ancellations	53,298	58,362
Property/Casualty Filir	ngs Reviewed	7,687	7,599
Life/Health Filings Rev	viewed	3,341	3,372
Consumer Complaints	Closed	723	644
Enforcement/Closed F	iles	1.020	1,154
Continuing Education	Courses Reviewed	736	747
Subsequent Injury	New Claims	2	3
Fund	Claims Paid	71	72

Table 23 - Insurance Division Performance Indicators for fiscal year 2014 to 2015.



Larry Deiter, Insurance Division Director

access to companies operating in South Dakota. With the ever-evolving industry regulation, education and training of division staff members remains a focus for the division.

Accomplishments

The division presented three bills during the 2015 Legislative Session. The enacted legislation updated the standards used for regulation of insurance holding companies, clarified the review process for rate and policy form filing denials for insurers, and incorporated the National Association of Insurance Commissioners (NAIC) model language on the coordination of benefits into existing state statutes.

The division successfully completed an interim annual review to maintain its accredited status with the NAIC. Continued accreditation indicates the division's success in meeting baseline standards for solvency regulation, particularly with respect to regulation of multi-state insurers, and allows non-domestic states to rely on the division's financial regulatory oversight. With its accreditation and prominent role at the NAIC the division ensures South Dakota has a strong voice in matters of insurance regulation on the state and national level.

Challenges

	Revenues	2014	2015
Total General Funds Coll	ected	\$74,792,824	\$79,706,674
	Admissions	78,570	92,020
	Company Renewal	81,645	81,235
	Agent Licensing/Renewal	7,767,822	8,413,011
	Exam Fees	15,020	15,440
	Miscellaneous and Legal	13,198	8,399
Fees (Insurance Operating Fund)	Retaliatory/Filing	1,356,076	1,442,179
	Administrative Penalties	685,000	1,252,694
	Lists and Labels	1,500	1,180
	Certification Letters	5,910	4,160
	Investment Council Interest	17,926	16,335
	Course Approval	18,925	18,675
Subsequent Injury Fund	Sub-Injury Fund Assessment	2,783,474	7,708
Subsequent injury i unu	Investment Council Interest	36,634	14,855
Continuing Education Fund	Agent Renewal Fees	35,595	73,980
Workers' Compensation	Policy Fee (Transferred to USDOL)	263,998	274,331
Special Collections	Examination Fund (effective 7/1/97)	1,583,433	1,359,000
Special Collections	Investment Council Interest	0	0
Federal Grants		316,417	303,599
	Total	\$89,853,967	\$93,085,475

Table 24 - Insurance Division Revenues for fiscal year 2014 to 2015.

industry. Ongoing changes to federal regulations require continuous monitoring and communication in order to stay abreast and ahead of any issues created by the Affordable Care Act. Annual Report 2015

HealthCare Reform continues to be an ongoing challenge for the Division of Insurance and the insurance

Cybersecurity has become an important national issue in the insurance industry due to large scale personal information breaches occurring during this past year. The division is taking part in various initiatives to aid in protecting South Dakota consumers.

Bret Afdahl, **Banking Division** Director

Banking

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.

Year in Review

2015 was an important year for ongoing efforts to right-size the regulatory burden on community banks all over the United States. For the third year in a row, over 20 South Dakota banks participated in a research effort that culminated in findings presented at the 3rd Annual Community Banking in the 21st Century Research and Policy Conference. More information on this conference, the publications and research papers that were discussed can be found at: www.communitybanking.org/2015-conference.html. A review of all federal regulations by the bank regulators is also undergoing a 10 year review to find regulations that are outdated, unnecessary, or unduly burdensome. The federal regulators are then required to consider how to reduce regulatory burden while at the same time ensuring the continued safety and soundness of the institutions they regulated.

The Division had a busy year conducting 54 on-site examinations with less than 20 examiners while also processing 18 bank branch, loan production office, merger, and change in control applications. In addition, the Division processed 21 trust company charter, trust service office, change in control, and relocation applications.

While the number of banks chartered in South Dakota continues to gradually decline, total banking locations are holding steady and total assets continue to grow. This growth in total assets and average asset size are the primary drivers in the length, complexity, and frequency of bank examinations conducted by the Division. Larger banks must be examined more frequently, take longer, are more complex, and as a result, require more examiner hours to complete in a timely manner than examinations for smaller banks.

en	Revenues	2014	2015
al	Bank Examination	\$1,441,914	\$1,524,990
g	Trust Company Examination Fee	215,110	350,506
kota	Trust Company Supervision Fee	615,169	700,383
ion	Trust Company Charter Fees*	35,000	25,000
rust	License Fees	774,270	501,245
r	Licensing Examination Fee	20,379	18,294
ation	Investment Council Interest	38,388	43,259
l trust kota	Miscellaneous	8,606	15,726
to	Totals	\$3,148,836	\$3,179,403
	Table 25 Comparison of revenues by a		

Table 25 - Comparison of revenues by category for fiscal years 2014 through 2015. *Deposited in general funds.

the case years, interest nondepository companies in remains high. has chartered companies since 2007. of state companies in goes all the 1997, and currently companies South Dakota.

Performance Indicators	2014	2015
License Exams (onsite)	9	10
Banks Examined	18	20
Trust Companies Examined	26	24
Licenses Issued or Renewed	2,247	2,624
State-chartered Banks	56	56
State-chartered Trust Companies	73	78
Bank Assets	\$21,216,962,000	\$23,833,000,000
Trust Assets	\$153,949,179,000	\$175,133,826,000

Table 26 - Performance Indicators for fiscal years 2014 through 2015.

Revenues	2014	2015
Securities Registration Fees	\$75,925.25	\$77,362.90
Franchise Registration Fees	\$147,050.00	\$152,400.00
Franchise Exemption Fees	\$ 0	\$ 0
Business Opportunity Fees	\$100.00	\$100.00
Registration Fees	\$ 0	\$ 0
Securities Opinion Fees	\$125.00	\$100.00
Investment Company Notification Fees	\$21,479,275.00	\$22,886,950.00
Agent Licensing Fees	\$12,646,000.00	\$13,285,875.00
Broker-Dealer Licensing Fees	\$193,950.00	\$244,550.00
Investment Advisor Fees	\$5,600.00	\$4,900.00
Investment Advisor Agent Fees	\$100,400.00	\$99,750.00
I/A Notice Filings	\$158,600.00	\$235,000.00
Miscellaneous	\$670.00	\$1,690.00
Investment Council Interest	\$77,650.35	\$37,359.93
Private Placement/Reg D 506 & Other	\$341,950.00	\$220,750.00
Fines	\$121,168.10	\$76,375.00
Total Revenues	\$35,348,463.70	\$37,323,162.83
Table 27 - Revenues for fiscal years 2014 throug	h 2015.	



Michael J. Youngberg, Securities Division Director

Securities

The Division of Securities sets rules and procedures to ensure investments sold in South Dakota meet

standards disclosure. securities franchises.

Performance Indicators	2014	2015
New Securities Applications	44	46
Extension and Amendments	63	65
Private Placement	1	1
Other Exemptions	370	361
Investment Company NFs - New	3,621	3,909
Investment Company NFs - Total	24,437	25,268
New Franchise Applications	217	222
New Franchise Registrations	744	828
Franchise Extensions	594	636
Exemptions	-	-
Business Opportunities - New	-	_
Business Opportunities - Total	2	2
Broker - Dealers Licensed	1,240	1,243
Broker - Dealers Agents Licensed	84,473	89,810
Investment Advisors Licensed	47	45
Investment Advisors Agents Licensed	1,658	1,735
Investment Advisors Notice Filings	768	819
Franchise Applications Withdrawn	182	181
Investigations	128	84
Compliance Examinations	21	19
Administrative Orders Issues	20	30
Opinions Requested	3	3

Table 28 - Performance Idicators for fiscal years 2014 through 2015.

business opportunities. Its mission is to protect investors of securities products, franchises, and business opportunities by investigating complaints, conducting examinations, enforcing anti-fraud provisions, ensuring investments sold meet standards of full disclosure, and providing investor education.

Year in Review

of full

and

including

products,

The Division of Securities continued to move forward and carry out its regulatory responsibilities in FY15. In addition to meeting our regulatory responsibilities, we continued to monitor federal law changes, which impact state securities laws and rules. This last year revenues produced at the Division of Securities increased by 5.6 percent versus revenues produced in FY14. Revenues increased from \$35,348,464 in FY14 to \$37,323,163 in FY15.

Our goal to improve and become more efficient will continue. We look to move forward on future challenges through available training. We also look to improve our systems by making our communication, application, registration, and renewal processes available online.

Licensing Boards and Commissions

There are nine occupational and professional licensing boards and commissions within the DLR. These boards and commissions are charged with licensing and regulating the individuals practicing in each specific occupation or professions with the state of South Dakota. The Department provides general administrative and legal support to each of the boards and commissions.

Abstracters' Board of Examiners

The Abstracters' Board of Examiners is charged with administering and enforcing the South Dakota Codified Laws and Administrative Rules of South Dakota pertaining to Abstracters of Title.

The board's mission is to issue abstracter's licenses to gualified applicants, to examine and license new title plants and those changing ownership to maintain quality and compliance, to monitor and ensure the quality of service provided by licensees, and to promote continuing education for licensees.

Board of Accountancy

The South Dakota Board of Accountancy's mission is to protect the citizens of South Dakota from receiving inadequate accounting services by licensing qualified accountant applicants, monitoring annual reporting requirements, continuing professional education, and enforcing updated statutes and rules promulgated by the board to regulate the practice of public accountancy.

Athletic Commission

The South Dakota Athletic Commission's mission is to regulate boxing, kickboxing, and mixed martial arts competitions through the enforcement of statutes and rules.

Board of Barber Examiners

The South Dakota Board of Barber Examiners's mission is to protect the public consumers of barbershop facilities from unsafe and unsanitary conditions by regulating the licensing of barbers, enforcing sanitary operating procedures, and updating governing statutes, rules, and regulations.

Cosmetology Commission

D Board/ Commission Performance	Licenses Renewed	ses wed	New Licens(New censes	Total Practitioners	tal ioners	Examinations	ations	Complaints	laints	Inquiries	iries
Indicators	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Abstracters' Examiners	62	80	З	2	209	227	8	3	2	7	125	110
Accountancy	1,863	1,915	71	93	1,781	1,829	<u> </u>	64	27	24	7,440	7,440
Athletic	A/N	N/A	128	216	N/A	N/A	N/A	N/A	0	0	100	100
Barber Examiners	271	272	14	7	176	161	0	٢	N/A	0	510	510
Cosmetology	7,617	7,661	818	876	5,760	5,766	330	350	11	17	17,000	17,000
Electrical	3,086	1,133	851	710	3,766	5,609	373	380	0	0	A/N	N/A
Plumbing	2,397	2,409	331	278	2,728	2,687	102	126	11	18	3,577	3,744
Technical Professions	3,335	3,622	559	613	7,771	8,020	319	325	12	7	1,996	2,500
Real Estate	1,767	1,628	351	326	3,284	3,651	258	584	56	74	60,696	59,482
Table 29 - Licensing board and commission performa	and commi	ission per	ormance I	measure fo	nce measure for fiscal years 2014 and 2015 (July 1 through June 30)	ars 2014	and 2015 (July 1 th	rough Jur	le 30)		

The South Dakota Cosmetology Commission's mission is to ensure the health and safety of our citizens as they use cosmetology, esthetics, and nail technology services. The commission does this by examining and licensing qualified practitioners; conducting inspections of cosmetology, esthetics, and nail salons, booths, and schools; enforcing statutes, rules, and regulations governing the practice of cosmetology, esthetics, and nail technology, including consumer complaints; resolving complaints; and overseeing the educational process of cosmetology schools and licensees.

Electrical Commission

The South Dakota Electrical Commission works to keep the citizens of our state and their property safe from the hazards associated with using electricity.

The commission administers and enforces the state laws and regulations concerning electrical wiring, inspects wiring installations, investigates complaints related to electrical wiring, and licenses all electricians within the state.

Plumbing Commission

The South Dakota Plumbing Commission works to keep the citizens of our state and their property safe from the hazards associated with unsafe drinking water and unsafe waste disposal facilities.

The commission administers and enforces the state laws and regulations concerning plumbing; inspects plumbing installations; investigates complaints related to plumbing; licenses all qualified plumbers within the state; ensures updating and distribution of the state plumbing code; informs plumbers, inspection departments, and the public about code requirements, new products, and methods of installation; and provides information of the commission's activities, recommendations, and requirements.

Board of Technical Professions

The South Dakota Board of Technical Professions is charged with protecting the life, health, safety, property, and promoting the public welfare of the people of South Dakota by licensing and regulating architects, professional engineers, land surveyors, landscape architects, and petroleum release assessors and remediators.

Primary responsibilities of the board include the review Department of Labor and Regulation

Appendix: Organizational Charts

Workforce **Planning**, Policy **& Public Affairs**

> Workforce Training

Employment **Services**

Field Operations

Labor and Management



Seventy-five copies of this publication were produced by the South Dakota Department of Labor and Regulation at a cost of \$0.60 per copy. USDOL funded.

Auxiliary aids and services are available upon request to individuals with disabilities. State and federal laws require the Department of Labor and Regulation to provide services to all qualified persons without regard to race, color, creed, religion, age, sex, ancestry, political affiliation or belief, national origin or disability.



12/2015