



South Carolina  
Department of Labor, Licensing and Regulation



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The Honorable William M. Hixon  
South Carolina House of Representatives  
Legislative Oversight Committee  
Economic Development, Transportation, and Natural Resources Subcommittee  
Post Office Box 11867  
Columbia, South Carolina 29211

Dear Chairman Hixon:

Thank you for the opportunity to provide additional information to the Economic Development, Transportation, and Natural Resources Subcommittee regarding the Department of Labor, Licensing and Regulation. The following information responds to the questions posed in your letter dated February 1, 2019:

**Professional and Occupational Licensing (POL) Forms and Requirements**

**1. Are POL forms developed by LLR staff? If yes, do the appropriate boards review and approve the final versions of forms?**

The Professional and Occupational Licensing (POL) Division is divided into two separate offices: the Office of Investigations and Enforcement (OIE), comprised of investigators and inspectors, and the Office of Board Services (OBS), comprised of the boards and licensing staff. OIE forms are generally limited to inspection forms and citations. In some instances, staff and legal counsel draft these forms for the boards' review and, in other instances, boards appoint a task force, including members of the industry, to draft them. As both inspection forms and citations are forms of legal significance, the boards ultimately approve their content.

The boards approve all OBS forms with the exception of forms designed to collect general information; staff, with the assistance of legal counsel and the Agency's Privacy Officer, draft those forms. Otherwise, OBS forms are designed to collect information essential to the consideration of an individual for licensure or license renewal; therefore, the boards, as subject matter experts, must approve those forms. As noted above, staff and legal counsel may prepare a draft form for the boards' review, or the boards may appoint a task force, including members of the industry, to do so, particularly where the forms at issue are more complex or pertain to a newly-regulated aspect of the profession. Two recent examples of the latter are the licensing forms for Dental Sedation and Appraisal Management Companies, both necessitated by statutory change.

In addition to OIE and OBS forms described above, the Agency itself creates certain forms necessary to licensure in any profession. Examples of those forms are the Affidavit of Eligibility, which requires the verification of a lawful presence of any person applying for a license, and the Military Spouse Expedited Licensure Form, which is an internal process to expedite licensure. Ministerial or routine

administrative changes or updates may also be made internally to already board-approved forms without taking each edit to the board.

**2. What were the reasons for the recent changes to section V of the Residential Property Condition Disclosure Statement issued by the Real Estate Commission?**

The changes to Section V of the Residential Property Condition Disclosure Statement resulted from two events: first, a statutory change that required a seller to disclose whether a property for sale was subject to governance of a homeowners association (see 2018 Act No. 245); and second, a request from historical planners who stated that cities and municipalities were having issues regarding non-disclosure of historical districts and homes that ultimately limited a buyer's ability to make modifications to the property after purchase.

Commission staff placed both items on the agenda for the Real Estate Commission to consider and discuss at the October 17, 2018, meeting. The Commission formed a task force that met on October 24, 2018, and ultimately recommended the Disclosure Statement be amended to include the required disclosure mandated by the statutory change and the historical designation disclosure. The Commission approved the recommended amendments to the form on November 4, 2018, with an effective date of January 1, 2019.

**3. When is the last time the bond forms for contractors were reviewed and updated?**

The bond forms for General and Mechanical Contractors were created following the passage of 2018 Act No. 217, which provided applicants the option of submitting a financial statement or obtaining a surety bond when applying for licensure or when renewing an existing license.

**4. Which licensees are required to have a bond? What are the required bond amounts? When were those amounts last revised?**

Licenses requiring a bond are set forth below. All bond amounts are established by the General Assembly in statute with two exceptions: 1) the General Assembly delegated the authority to the Residential Builders Commission to establish the bond amount for residential specialty contractors; and 2) the General Assembly established a ceiling for surety bonds purchased by Appraisal Management Companies, thus allowing the Real Estate Appraisers Board the discretion to set a lesser amount.

- Appraisal Management Companies are required to obtain a surety bond or submit a financial statement. The bond amount of \$25,000 was established by the Real Estate Appraisers Board in 2018, following passage of 2018 Act No. 197, establishing that bonds may not exceed \$50,000.
- The Residential Builders Commission requires bonds for multiple categories of licensees. A residential builder is required to have a \$15,000 bond; that amount was set by statute in 1990. A certificate of authorization for a business requires a \$15,000 bond; that amount was set in statute in 2000. Residential specialty contractor registrants (Electrical, Plumbing, and HVAC) are required to have a \$10,000 bond on file if the total cost of the project exceeds \$5,000; that

amount was set in statute in 2005. Residential specialty contractor registrants in all other categories are required to have a bond on file if the total cost of the project exceeds \$5,000.

- General and Mechanical Contractors may opt to obtain a surety bond in lieu of submitting a financial statement when applying for licensure or renewing a license. The amount of the bond was established by statute in 2018 and is two times the required net worth for the applicant’s license group. Notably, the bid and job limitations and net worth amounts, upon which the bonds are based, were increased by the General Assembly in 2016 Act No. 200:

<u>General Contractors</u>			<u>Mechanical Contractors</u>		
Group #	\$ Limit Per Job	Surety Bond Requirement	Group #	\$ Limit Per Job	Surety Bond Requirement
Group #1	\$50,000	\$20,000	Group #1	\$17,500	\$7,000
Group #2	\$200,000	\$80,000	Group #2	\$50,000	\$20,000
Group #3	\$500,000	\$200,000	Group #3	\$100,000	\$40,000
Group #4	\$1,500,000	\$350,000	Group #4	\$200,000	\$80,000
Group #5	Unlimited	\$500,000	Group #5	Unlimited	\$400,000

- Cosmetology schools are required to have a bond in the amount of \$10,000; that amount was set by statute in 1998.
- The Environmental Certification Board requires Well Drillers to have a bond in the amount of \$25,000; that amount was set by statute in 2002.

**5. How do you communicate important information such as new regulations, revised forms, and best practices to licensees?**

The Agency uses various communication medium to share important information with licensees. If legally required, information is sent by way of certified mail to licensees. Other pertinent information, such as notification of renewal, is sent by U.S. Mail. Both methods, however, are costly and slow. Over the past ten years, the Agency has encouraged licensees to provide electronic mailing addresses to their licensing boards so that the boards can communicate important information quickly and at no cost. If new laws are passed with immediate effective dates, the boards send e-blasts to their licensees to ensure they are aware of changes impacting their professions. The boards also have individual board web pages where they post profession-specific information for their licensees while the Agency uses its home page to communicate weather-related information, closings or updates on matters of global concern such as the opioid crisis.

The Agency and several of the boards have Facebook pages to communicate with social media users, and the Agency uses its Twitter account to share photos and information to give the public an eye into the inner workings of the boards and the Agency.

Information pertaining to the promulgation of regulations is published in the *State Register* in accordance with the Administrative Procedures Act, S.C. Code Section 1-23-10 *et seq.* Additionally, boards post meeting agendas on the Agency website and on the Agency bulletin board, and circulate the same to media and requesting parties in accordance with the requirements of the Freedom of Information Act.

### **POL Finances**

**6. Do licensing boards retain fines received as a result of disciplinary penalties? If yes, are the funds kept in separate accounts for each board? What are the restrictions, if any, on the use of those funds?**

South Carolina Code Section 40-1-180(B) requires that all fines and costs be remitted to the State Treasurer and deposited into a special fund established for the department to defray the administrative costs associated with the investigations and hearings.

**7. How much did each board spend on per diem and travel expenses for board members in the last two years?**

Please see Attachment 1.

**8. How are licensing fees determined?**

South Carolina Code Section 40-1-50(D) outlines how the Agency determines license fees. Essentially the Agency evaluates current and projected revenue and expenses of each Board and makes recommendations to the Boards on license fee increases or decreases that may be necessary to ensure the Board has sufficient, but not excessive, money to cover all expenses of the Board.

**9. Information provided on January 7, 2019 shows that out of 37 boards for which information was provided, 15 had a negative cash balance at the end of at least one of the last two fiscal years. How are these deficits accommodated? What steps are taken when a board consistently fails to generate enough revenue to cover its expenditures?**

While funding of all Agency programs, including POL, is supported with Agency funds within the limits set by the General Assembly in the Authorization Act for each fiscal year, the Agency maintains an accounting of the cash balances of all Boards to accurately determine which Boards currently have negative balances and which Boards currently have positive balances. The Agency evaluates Board finances every few years as outlined in No. 8 above, striving toward positive balances. The challenges of doing so are explained in further detail in the Agency's Performance Evaluation Report (page 8) and in the Agency's recorded testimony before the Subcommittee.

**10. Can funds be shifted from one board to another?**

All revenue collected in the POL division of the Agency is deposited in its account with the State Treasurer as level three funds designated as 3135 Other funds. However, internally this revenue is accounted by separate cost centers associated with each board through SCEIS.

**11. What restrictions are there on boards' ability to use their cash balances to advance board objectives and better serve the public and their licensees?**

The Boards are tasked with the duties of licensing professionals, evaluating and approving continuing education, adopting a code of ethics, and investigating and disciplining licensees upon receipt of complaints. These constitute the statutory objectives of the Boards as established in Chapter 1 of Title 40. Specific practice acts may include additional objectives, but these are the core functions, or objectives, of all Boards.

The Director of the Agency is tasked with the duty of assessing, collecting and adjusting fees to cover the expenses of the Boards, including both the direct and indirect costs to the State for the operations of each respective board. Therefore, fees the Agency collects are used to cover costs associated with the Boards' core functions (their objectives) of licensure and renewal, continuing education, ethics, and investigations and discipline. Boards can make recommendations to the Director on ways to allocate fees, or surpluses of fees, if any, to accomplish these objectives, and the Director will take those into consideration.

**POL Boards**

**12. As of January 12, 2019, there were approximately 36 vacancies on POL boards and 134 members whose terms had expired. What steps, if any, are being taken by agency representatives to facilitate those appointments?**

By statute, seats for 39 of the boards are filled by: (1) appointment by the Governor; (2) appointment by the Governor, with advice and consent of the Senate; or (3) appointment by the Governor following elections to determine nominees for his consideration. Two boards have other methods of appointing board members in their practice acts: (1) all but one of the seats held by members of the profession on the Real Estate Commission are elected by a majority of the house members and senators representing the house and senate districts within each congressional district, and the remaining seat is elected by the sitting Commission members; and (2) the Agency Director appoints the members of the Soil Classifiers Advisory Council.

For gubernatorial appointments, the Agency facilitates communication between Board members and the Governor's office. The Director's office maintains an updated list of all board members, the laws applicable to their appointment, and the expiration date of each of their seats to organize the list of board members in expired seats for the Governor's office and vacancies that require appointment. For vacant seats appointed by the Governor, the Director passes along the name and resume of all eligible candidates contacting the Agency expressing an interest in vacant seats. For expired seats appointed by the Governor, the Director has tasked Board administrators with contacting sitting board members to determine if they

desire re-appointment at their seat's expiration. Their responses are transmitted to the Governor's Office for their consideration.

The only action in gubernatorial appointments that is within the exclusive control of the Agency is conducting elections. Board administrators are required to conduct elections in accordance with the terms of their practice acts, and many of the practice acts establish the dates by which elections should be conducted.

**13. Are there any boards that could be consolidated? If so, which ones, and what efficiencies would you expect to realize through any consolidations?**

The legislature created the department as an umbrella agency to help share administrative costs. Therefore, many of the efficiencies that would come with board consolidation already exist. If a board has a similar practice to another board, or requires specialized knowledge by staff that is similar to another board, the Agency already shares an administrator and staff among those boards. Moreover, if the boards share staff, they are also sharing office space, computers, and other administrative expenses. For example, Barber, Cosmetology, and Massage Therapy share an administrator, support staff, and an advice attorney. Similarly, Occupational Therapy, Speech-Language Pathology and Audiology, and Physical Therapy share an administrator, support staff, and an advice attorney. Building Codes, Manufactured Housing, Contractors, and Boiler Safety share an administrator who is a licensed Building Official, and who has the requisite knowledge of the building codes that is needed to oversee those four programs. Finally, all of the behavioral health boards - Counselors, Social Workers and Psychologists - share an administrator, support staff, and an advice attorney. Moreover, in addition to the fiscal benefits realized by sharing staff, the licensees benefit from the fact that the staff is cross-trained across the program areas.

One efficiency that could be created by consolidation would be fewer board members for a particular board; therefore, perhaps less per diem would be paid to board members. Consolidation may also have the effect of consolidating and perhaps reducing regulations as they would be promulgated by a board covering a number of similar professions rather than just one board concerned with its own specific profession.

**14. How many times did each board meet in the last two years?**

Please see Attachment 2.

**15. How do boards get input from the regulated community and members of the public when considering changes to licensure requirements? How long is the public comment period for changes to licensure regulations, and how is it publicized?**

If licensure requirements are established in statute, then the boards and commissions are not delegated the authority to make change. The one exception is if the practice act for the board or commission contains language allowing it to recommend changes in legislation. In those instances, the boards and commissions discuss potential changes during public board meetings which are noticed in accordance with the requirements of the Freedom of Information Act (FOIA). Public comment is permitted at all board and commission meetings. Thereafter, any legislative changes recommended would be pursued by

associations, members of the industry or members of the General Assembly; the boards and commissions are not vested with the authority to lobby.

The boards and commissions are, however, granted the duty to promulgate regulations, and oftentimes, licensure criteria are established in regulation. In those instances, the Agency follows the procedures set forth in the Administrative Procedures Act (APA), S.C. Code Section 1-23-10 *et al.* Comment periods of thirty days are established in S.C. Code Section 1-23-110(A). All actions taken regarding promulgation, amendment or repeal of a regulation are published in the *State Register*, which is available on the website for the South Carolina Legislature, free of charge.

**16. How can individuals communicate concerns and suggestions about licensure requirements to boards?**

An individual can always call or email the board administrator and ask to be placed on the agenda for an upcoming meeting to discuss a particular matter or concern. At any time, an individual can also attend a board meeting and speak during public session.

If licensure requirements are stated in statute, individuals can contact their senator or house member to voice concerns, or if they are members of a professional association, they can express their concerns to the association which can then determine if the matter needs addressing through legislative change.

**POL Staffing**

**17. Do you believe that all boards have an adequate number of administrative and support staff?**

The Agency does not believe the Real Estate Commission currently has an adequate number of staff to handle the new law that will go into effect in 2020, which is why the Agency has requested 4 FTEs specifically for the Real Estate Commission in its FY19-20 budget request. Otherwise, the Agency believes it has adequate staff support for the boards, but requests new FTEs in its budget requests from time to time when this assessment changes.

**18. What logistical and staffing concerns do you anticipate regarding the Real Estate Commission's upcoming fingerprinting and background check responsibilities? What steps are you taking to minimize these issues?**

The staffing and logistical concerns center on the sheer volume of current licensees (approximately 50,000) that need to be fingerprinted, processed, and may require a hearing before the Real Estate Commission (REC), and upon every third renewal thereafter, in addition to doing the same for all the new applicants (the Agency currently issues approximately 400-500 new licenses each month). If a licensee has criminal activity appear on the background check and it cannot be resolved at staff level, then there is also a concern of how quickly the licensee will be able to appear before the REC for a determination of whether he or she can renew his or her license. POL management, REC staff, and the REC are all working together to try and anticipate issues that will result from the new requirement and handle it as expeditiously and efficiently as possible. These issues range from meeting FBI/SLED requirements in handling the data (i.e. training requirements for those that review it and maintaining security and locked space and computer

terminals receiving information), notifying licensees of the requirement and logistics of how to obtain the background check, evaluating hits on criminal background checks and providing all information to the REC that it requests, and scheduling hearings that may be needed before the REC.

In order to manage the administrative tasks involved in handling the background checks, the Agency drafted a request for proposal, seeking bids from third party vendors to handle receiving, reviewing, reporting and storing of the fingerprint background checks on behalf of all boards required to do so. Ideally, the third party vendor will be able to review the reports, compile the results, and report back to the Agency whether a licensee or applicant has a criminal history. This will significantly reduce the amount of staff time required to process and review the reports. It will also minimize the amount of personal identifying information about the licensee or applicant that the Agency would receive and store. Additionally, the third party vendor will be able to assist in dispute and disposition resolution so that the REC will have up-to-date information when considering a licensee's or applicant's criminal history in determining licensure qualifications.

Space is also a logistical concern as the FBI requires that nonessential personnel not have access to the criminal history received by the Agency from fingerprint background checks. The Agency has a secure room with terminals for trained staff to securely review information that it currently gets for other licensing boards, but it would require significantly more space to handle the volume associated with real estate background checks. Again, the third party vendor is necessary to provide that space and additional staffing that will accommodate the Agency's needs to implement the new law.

As the request for proposal process continues, the Agency continues to assess processes internally, finding ways to automate processes and otherwise prepare for the influx of information in 2020. Staffing concerns are being addressed with a request for FTEs in the Agency's budget request as described above.

**19. Which five boards require the most staff support, and what type of staff support do they require?**

- **Nursing (16 Total Staff Including 4 licensed nurses)**
  - 1 Administrator (Nurse)
  - 3 Support staff and education evaluator (3 are nurses, 1 of the nurses is a temporary employee)
  - 4 Compliance staff
  - 8 Licensing staff
  
- **Pharmacy (13 Total Staff Including 7 licensed pharmacists)**
  - 1 Administrator (Pharmacist)
  - 6 Pharmacists (4 inspectors, 1 investigator, 1 non-resident program coordinator)
  - 6 Licensing staff
  
- **Building Codes, Manufactured Housing, Contractors, and Boiler Safety (13 Total Staff Including 1 licensed building code official)**
  - 1 Administrator (Building Code Official)
  - 3 Staff members who work with licensing for Building Codes and Manufactured Housing



- 1 Staff member works with the Boiler Program
- 1 Temporary staff investigator for the Boiler Program
- 1 Licensing supervisor for Contractors
- 5 Staff members who work with licensing for Contractors
- 1 Full time temporary employee works as the receptionist for the Contractors Board
  
- **Board of Medical Examiners and Podiatry (9 Total Staff)**
  - 1 Administrator
  - 8 Licensing and compliance staff (1 member is temporary)
  
- **Cosmetology, Barber, and Massage Therapy Boards (9 Total Staff)**
  - 1 Administrator
  - 1 Administrator Coordinator
  - 1 Licensing Supervisor
  - 6 Licensing staff members

**POL Investigations**

**20. How many disciplinary cases are currently pending review by each board?**

Currently, there are 1,034 cases awaiting final disposition by the boards. The breakdown of cases pending review by board is listed below:

Board	Total Cases Pending Board Hearing	Board	Total Cases Pending Board Hearing
Accountancy	12	Geologist	1
Appraiser	4	Long Term Care	19
Architect	3	Manufactured	4
Auctioneer	3	Massage	4
Barber	19	Medical Examiners	117
Building Codes	1	Nursing	332
Burglar-Fire	2	Occupational Therapy	3
Cemetery	8	Optometry	1
Chiropractic	13	Pharmacy	66
Contractors	44	Phys. Therapy	6
Cosmetology	58	Podiatry	1
Counselors	4	Real Estate	44
Dentistry	29	Residential	164
Engineers	19	Social Work	3

Environmental	1	Speech Audiology	6
Pyrotechnic	2	Veterinary	14
Funeral	27		

**21. How many cases/investigations are currently in progress? What is the average age of those cases? What is the age of the oldest case? What steps, if any, are you taking to close cases and decrease the amount of time needed to close investigations?**

Currently, OIE has 1,593 active investigations. In the last fiscal year, the average age of all cases that investigators turned in for final determination of whether the allegations rose to the level of misconduct warranting a formal board complaint was 126 business days. Currently, the age of the oldest case is 372 business days; it involves other state and federal agencies and a voluminous amount of documents. The Agency is aware that the investigation is taking a significant amount of time due to its complex nature, and is providing the investigator with a disciplinary attorney to help advise on the matter.

In order to ensure the timeliness of investigations, OIE has automated processes to receive notification when cases age to different stages of the investigation process. The investigator has case status meetings with chief investigators, and can also seek guidance from disciplinary attorneys as needed. Further, the Agency observes the average time investigations for a particular board typically take and supervisors are automatically notified once the investigation of a particular case exceeds that average time. Supervisors, senior management within POL, and ultimately, the Director receive reports on these aged cases to ensure they are being handled efficiently. The Agency understands that a complex investigation may take additional time, but believes its duty is to remain aware of the outlier investigations and to provide the resources to the investigator to conclude the investigation as swiftly as possible.

**22. What due process protections do licensees receive during investigations into complaints?**

Due process during the investigative phase begins with the Agency separating the investigators from the professional and occupational licensing boards, which act in a quasi-judicial capacity during a disciplinary hearing. The separation ensures that an individual is not subject to the same person or persons for both the investigation and final adjudication of a case. The Agency also provides the licensee with a notice of complaint containing the allegations and provides time for the licensee, now referred to as a respondent, to submit a responsive statement. The respondent may also hire an attorney or provide any documents or records in support of his position. Once the investigative phase has concluded, if enough evidence exists for the Agency to bring a case against the respondent, the attorney for the Agency will issue a formal complaint that provides the respondent notice of the charges. If a discovery request is made, the disciplinary attorney will also provide the respondent with a copy of any documents or evidence the disciplinary attorney intends to present to the board in its case. The respondent is then given the opportunity to be heard by the board during the hearing, and has the right to judicial review of the board's decision.

**23. How do you communicate investigation procedures to those being investigated?**

The investigator sends a letter to the respondent advising him/her that he/she is under investigation and asking for a response to the allegations. The letter also outlines the investigative process and provides a phone number where the investigator can be reached in case the respondent has additional questions. During the course of the investigation, the respondent also has opportunities to communicate with the investigator by e-mail or phone and there are often in-person interviews or meetings scheduled. Additional case or procedural information can be shared with the respondent during those communications. Information is also available on the Agency's website.

**24. How do you determine how many investigators are assigned to each board? Do you believe that there are an adequate number of investigators for all boards?**

The Deputy Director of POL reviews the number of complaints each board receives every year, and considers the volume of investigations along with the complexity of the cases. Currently, the Agency believes it has enough investigators but reviews the number each year.

**25. How do you ensure that investigators are up to date with applicable laws and regulations, particularly those investigators that work with several boards?**

The Agency provides its investigators with a copy of the practice act and regulations for the assigned board or boards. In addition to the general investigative training the Agency provides to investigators (such as investigative and interview techniques and report writing), board-specific training is also provided. For example, the Agency offered the building and business investigators classes on real estate licensing laws, cosmetology and barber sanitation, and contractor licensing laws. The Agency provided health and medical investigators drug diversion and prescription monitoring classes. When the General Assembly passes substantive changes to a practice act, Agency attorneys offer training on the new legal requirements.

Further, some investigators are licensed professionals and, therefore, have the requisite knowledge of the laws and regulations pertaining to the profession or occupation for which they are licensed. As part of the license renewal requirements, the license holder must complete continuing education. Among its investigators and inspectors, the Agency has licensed building officials, contractors, funeral directors, pharmacists, cosmetologists, and a CPA. The Agency has recently hired a licensed real estate agent, and is in the process of hiring a nurse investigator.

**26. Are any investigators certified law enforcement officers?**

No.

**Elevators and Amusement Rides**

**27. On September 24, 2018, you informed the Subcommittee that 33% of LLR staff audits of elevator inspections by private special inspectors in fiscal year 2017-18 revealed missed code violations. What steps, if any, are being taken to reduce the rate of missed violations?**

As outlined in the Agency's September 24, 2018, letter response to the Subcommittee, the range of issues an elevator may have falls into various categories - from non-serious to serious. No audit by the Agency staff in fiscal year 2017-2018 resulted in finding a serious missed code violation (i.e. one that had the potential to cause injury to the public). In addition, audits by the state inspector occur after the annual inspection by the special inspector; therefore, in some cases, the condition of an elevator could have changed since the special inspector's annual elevator inspection. Examples of these kinds of findings are water found in the elevator pit, the top of the car light being inoperable, or no guard found on the pit light. When these types of findings are made, the Agency seeks to educate and inform the special inspectors. Agency state inspectors contact the special inspectors individually regarding any missed violation. If a serious violation were missed, disciplinary action would be the next step, including suspension or possible revocation of the license.

**28. Since 2011, how many special inspector licenses have been suspended or revoked due to repeatedly missing violations?**

The Agency licenses 21 special inspectors who conduct elevator inspections and 11 who conduct amusement ride inspections. Since 2011 the Agency has not revoked or suspended any license of a special inspector for repeatedly missing violations.

**29. Why did the agency begin allowing private special inspectors to conduct inspections of elevators and amusement rides in 2011? What have been the benefits of doing so?**

Prior to 2011, the law allowed the Agency to license special inspectors and for special inspectors to conduct elevator and amusement ride inspections. However, after an amusement ride accident in 2011, the Agency made a policy determination to require special inspectors to conduct the annual elevators and amusement ride inspections, and have Agency inspectors perform audits of the work. For amusement rides, Agency inspectors are on site with permits and always immediately audit the kids' rides that go up in the air and most "spectacular" rides to make sure the amusement rides are as safe as possible for the public. The benefit of this policy change has been two-fold: by having Agency inspectors audit special inspectors work and directly notifying them of missed violations, the special inspector improves as an inspector; and second, by performing an audit of the work, most amusement rides and some elevators have a second inspection. For example, during the last calendar year, the Agency issued 643 permits for amusement rides and performed 580 audits, meaning, 90% percent of amusement rides received at least two inspections.

**30. How do agency representatives ensure that elevator or amusement ride code violations, once identified, are corrected?**

After a special inspector conducts an elevator's annual inspection, Section 41-16-100 of the South Carolina Code (2011) requires the Agency to issue an operating certificate after "all deficiencies found upon the inspection have been corrected." Therefore, before the Agency will issue an operating certificate, elevator owners are required to submit a completed abatement form certifying that all code violations identified during the inspection have been corrected. The Agency runs a report every month identifying the elevators with outstanding deficiencies and sends an email to owners giving them ten days to submit

their forms to the Agency. If no response is given, ultimately, the Agency issues a cease and desist order to the elevator owner requiring the elevator to be removed from service.

Unlike elevator certificates that expire annually from the date of the last inspection, all amusement ride permits expire on December 31<sup>st</sup> of the year issued, and rides must receive another initial inspection in the subsequent new year in order to be issued operating permits. Amusement ride deficiencies must be corrected and verified by an Agency inspector prior to the owner receiving a permit.

**31. How many times, on average, did each traveling amusement ride subject to LLR inspection move within South Carolina in 2018? Please provide an estimate if the exact number is not known.**

In 2018, each traveling amusement ride moved an average of 3.4 times.

**32. Is the manner in which an amusement ride is assembled a key factor in inspections of traveling amusement rides?**

Yes, each owner of an amusement ride is responsible for the proper assembly of an amusement ride per the manufacturer's requirements. The special inspector ensures that the amusement rides were properly assembled to meet those requirements.

**33. Are traveling amusement rides subject to any kind of inspection by LLR staff or special inspectors after the initial annual inspection?**

Yes, in addition to the initial inspection performed by the special inspector, Agency inspectors perform audits on certain rides.

Sincerely yours,



Emily H. Farr  
Director

Enclosures

# **ATTACHMENT NO. 1**

Sum of YTD Actual Expense Row Labels	Column Labels 2017		2017 Total	2018		2018 Total
	Per Diem	TRAVEL		Per Diem	TRAVEL	
Accountancy	2,800.00	11,880.68	14,680.68	2,275.00	20,532.75	22,807.75
Architectural Examin	1,050.00	8,829.02	9,879.02	770.00	2,844.52	3,614.52
Athletic Commission	770.00	3,817.95	4,587.95	350.00	1,247.67	1,597.67
Auctioneers	560.00	1,137.25	1,697.25	805.00	2,322.66	3,127.66
Barbers	1,470.00	5,301.47	6,771.47	1,785.00	6,398.75	8,183.75
Building Codes	1,890.00	8,881.15	10,771.15	1,120.00	3,917.92	5,037.92
Cemetery	665.00	1,815.70	2,480.70	700.00	1,321.75	2,021.75
Chiropractic	2,170.00	11,312.35	13,482.35	1,960.00	10,264.55	12,224.55
Contractors Licensin	1,995.00	6,883.17	8,878.17	1,610.00	6,250.94	7,860.94
Cosmetology	4,235.00	7,846.98	12,081.98	2,800.00	6,798.38	9,598.38
Dentistry	2,520.00	11,236.14	13,756.14	2,660.00	12,429.97	15,089.97
Dietetic		530.60	530.60		-	-
Engineers & Land Sur	2,940.00	12,804.61	15,744.61	2,870.00	15,231.53	18,101.53
Environmental Certif	700.00	5,686.80	6,386.80	595.00	4,714.45	5,309.45
Foresters	350.00	1,776.71	2,126.71	525.00	2,218.49	2,743.49
Funeral	5,635.00	19,082.98	24,717.98	3,990.00	12,916.46	16,906.46
Geologists	140.00	97.64	237.64	210.00	496.92	706.92
LANDSCAPE ARCHITECTS	1,015.00	7,522.58	8,537.58	1,015.00	7,496.22	8,511.22
Long Term Health Car	1,190.00	5,828.53	7,018.53	1,435.00	5,605.88	7,040.88
Manufactured Housing	1,085.00	2,079.78	3,164.78	770.00	2,015.50	2,785.50
Massage & Bodywork P	665.00	762.42	1,427.42	1,505.00	2,226.20	3,731.20
Medical Examiners	3,885.00	15,096.35	18,981.35	4,865.00	20,697.79	25,562.79
Nursing	5,257.00	22,563.99	27,820.99	6,405.00	23,375.87	29,780.87
Occupational Therapy	490.00	554.94	1,044.94	805.00	2,804.85	3,609.85
Opticianry	840.00	2,092.43	2,932.43	595.00	1,576.54	2,171.54
Optometry	840.00	5,069.21	5,909.21	560.00	2,606.27	3,166.27
Pharmacy	4,620.00	26,730.65	31,350.65	4,900.00	27,066.32	31,966.32
Physical Therapy	1,155.00	2,966.65	4,121.65	1,645.00	3,959.59	5,604.59
Podiatry	280.00	812.20	1,092.20	280.00	794.88	1,074.88
Prof. Counselors	1,855.00	10,155.59	12,010.59	1,715.00	8,328.76	10,043.76
Psychology	245.00	2,438.19	2,683.19	840.00	3,393.52	4,233.52
RE Appraisers	1,225.00	4,291.29	5,516.29	1,540.00	5,217.40	6,757.40
RE Commission	5,390.00	25,278.82	30,668.82	5,530.00	21,252.21	26,782.21
Residential Builders	2,800.00	12,441.33	15,241.33	3,675.00	16,949.11	20,624.11
Social Work Examiner	560.00	1,349.88	1,909.88	525.00	1,197.23	1,722.23
SOIL CLASSIFIERS				70.00	131.61	201.61
Speech Language	735.00	2,187.76	2,922.76	1,225.00	3,470.03	4,695.03
Veterinary	1,750.00	4,983.85	6,733.85	1,750.00	5,485.44	7,235.44
<b>Grand Total</b>	<b>65,772.00</b>	<b>274,127.64</b>	<b>339,899.64</b>	<b>66,675.00</b>	<b>275,558.93</b>	<b>342,233.93</b>

**ATTACHMENT NO. 2**



<b>Meetings</b>	<b>Board</b>	<b>Committee</b>	<b>Board</b>	<b>Committee</b>
<b>Boards</b>	<b>FY17</b>	<b>FY17</b>	<b>FY18</b>	<b>FY18</b>
Accountancy	5	4	6	1
Architects	6		4	
Athletics	11		8	
Auctioneers	4		4	
Barber	7		6	2
Building Codes	5		4	3
Cemetery	4		5	
Chiropractic	4	2	4	1
Contractors	6	2	4	2
Cosmetology	6*	2	6	5
Counselors	3		4	
Dentist	4	1	4	11
Dietetic	2		2	
Engineers	6*	1	7	2
Environmental	3		4	
Foresters	4		3	
Funeral	11*	1	8*	2
Geologists	4		4	
Landscape Arch	4		5	
LP Gas	1		3	3
LTHC	3	2	5	
Manufacturing	4		5	
Massage	3		6	7
Medical	4*	9	6*	9
Nursing	8*	24	8*	17
OT	3		4	
Opticianry	3		2	
Optometry	3		5	
Pharmacy	6*	21	7*	19
PT	4		5	3
Podiatry	2		2	
Pyro	2		3	2
Psychology	3	3	5	
R. E. Appraiser	5		5	2
Real Estate	11*	5	12*	4
Residential	12		12	
Social Worker	2		4	
Soil Classifier	1		2	
Speech	4		6	
Vet	4	1	4	1
Pilotage	11		10	
<b>Totals</b>	<b>198</b>	<b>78</b>	<b>213</b>	<b>96</b>

\*Multiple day board meetings