



2016 ANNUAL REPORT

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2016 Message from the Department of Labor and Regulation

Dear Friends,

I'd like to start out this year's message with a quote from Steve Ballmer, former CEO of Microsoft and owner of LA Clippers:

"The number one benefit of information technology is that it empowers people to do what they want to do. It lets people be creative. It lets people be productive. It lets people learn things they didn't think they could learn before, and so in a sense it is all about potential."

In the past year, DLR has embraced this notion and has taken many progressive steps to advance technology in the way we do business. We've realized even as a state government agency, we need to be competitive in the technology we offer users to provide the best customer service experience. A few of our accomplishments include:

- Our new virtual labor market data system allows users to view the most recent statistics available, offers greater functionality, creates customized profiles, and is designed to be intuitive and flexible.
- We launched a redesigned, mobile responsive website. The latest features include an events calendar with search capability, sliders to highlight announcements and resources, and mega menus for more direct links to forms, online applications, and program information.
- The online application employers use to submit their unemployment insurance reports and make contributions was upgraded to allow individual choice of internet browsers. In addition, unemployment claimants were given the option of receiving their UI information more quickly electronically, instead of by mail.
- DLR is in the final steps of launching a new SDWORKS jobs database and management information system to assist DLR staff, job seekers, and employers. The new SDWORKS will be a virtual one-stop and is developed to provide common language and real time data to create an effective workforce system.

We don't want DLR services to remain the best-kept secret. Stop by your local offices. Visit our website. Try out the tools we have available. We are remaining relevant and will continue to advance the technology we use to provide the services you need and expect to succeed in the world of workforce development.

Sincerely,



Marcia Hultman
Cabinet Secretary



MARCIA HULTMAN
Cabinet 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 fulfill department, state, and federal missions.

Income, Expenses

Total department revenue increased approximately 4.82 percent in FY16 (See Table 1) with the Regulation programs and divisions (Appraisers, Banking, Securities, and Insurance) increasing approximately 7.79 percent and federal funds decreasing approximately 2.40 percent.

Transfers to the state's General Fund from the Division of Securities and Division of Insurance increased by \$5,638,576 from FY15.



EMILY WARD
Administrative Services Director

Department of Labor and Regulation Fund Sources		2015	2016
General Funds (state general fund appropriation)		\$1,285,350	\$1,587,727
Federal Funds		\$25,526,238	\$25,006,495
Other Funds (licensing board & workers' compensation fees)		\$3,968,775	\$4,080,773
Other Funds (Appraisers, Banking, Securities, Insurance)		\$53,454,847	\$57,618,383
Total		\$84,235,210	\$88,293,378
Transfers to General Fund (Securities & Insurance)		\$125,459,225	\$131,097,801
Unemployment Insurance Trust Fund	Employer Contributions	\$39,066,460	\$36,668,614
	Federal Reimbursements	\$1,516,627	\$1,606,125
DOL Retirement Plan Fund Ending Balance (employee/employer contributions & investment earnings)		\$60,683,664	\$55,961,173

Table 1 - Department of Labor and Regulation funding sources for fiscal years 2015 and 2016 (July 1 through June 30).

The Unemployment Insurance (UI) Trust Fund employer contributions decreased slightly in FY16 due to full implementation of the reduced tax rates. Federal contributions have stabilized after seeing decreases over the past several years.

Department of Labor and Regulation Annual Expenditures		2015	2016
Personnel		\$22,652,219	\$22,077,500
Operating Expenses		\$12,917,765	\$14,116,988
Job Training, Adult Education & Literacy Client Services		\$4,454,180	\$3,974,316
Total		\$40,024,164	\$40,168,804
Unemployment Insurance Benefits (state only)		\$23,757,860	\$24,007,476
DOL Retirement Plan, Retiree Benefits		\$4,345,767	\$4,473,239

Table 2 - Department of Labor and Regulation for fiscal years 2015 and 2016 (July 1 through June 30).

Department expenditures, illustrated in Table 2, were slightly less than the previous year with a minor decrease in personal service expenditures related to staffing reductions and an increase in operating expenditures which is attributed to Division of Insurance insurance company examination activities.

UI Trust Fund payments increased approximately 1 percent in 2016.

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, 2016, there were 214 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 7.78 percent (Table 2), primarily due to a negative rate of return (-0.45 percent) as the stock market and economy lagged from decreases in energy prices, as well as payment of benefits.

Summary

The Division continues to manage expenses by seeking operating efficiencies and monitoring staffing, especially in the federally funded Labor programs. These federally funded programs are experiencing a decrease in revenue. Nevertheless, the Division fulfills its mission to promote economic opportunity and financial security to the citizens of South Dakota. Additionally, the Department increased the amount of funds going to the State general fund annually.

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 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.

The Data outlined in Table 3 shows the active appraisers by classification. Currently, there are 10 inactive appraisers and approximately 105 appraisal management companies registered.

Appraisers by Classification	CY 2016
State-Certified General	198
State-Certified Residential	95
State-Licensed	46
State-Registered	53
Total	392

Table 3 - Active Appraisers by Classification as of December 2016.

WORKFORCE, 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;
- Leading organizational development and strategic planning efforts; and
- Providing labor market information and economics data to make policy recommendations.



DAWN DOVRE
Director of Policy & Public Affairs

Workforce Development

- DLR led efforts of an appointed workgroup on Veterans Workforce Recruitment to identify new strategies to recruit out-of-state veterans to South Dakota’s workforce. This was a joint initiative with the Governor’s Office, Department of Veterans Affairs, and Governor’s Office of Economic Development.
- Informational presentations about state workforce programs were delivered to a variety of groups, including legislative committees, the Workforce Development Council, SD HOSA – Future Health Professionals, Dakota Valley Business Council, 3M plant managers, and Aberdeen Leadership class.
- The Build Dakota Scholarship roadshows held across the state provided opportunities for local staff to share information on other workforce training programs and services available.
- Monthly meetings were led 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. The Department of Human Services and Department of Tribal Relations joined the group as members.

Communications

Public Relations

- DLR created the Employer Connection e-newsletter (Figure 1) to bring timely and relevant information to employers. Topics range from labor law posting requirements, SDWORKS jobs database, workers’ compensation, and unemployment insurance. It also provides updates from partner agencies on workforce topics and upcoming events.
- A #MySummerJob social media campaign was launched (Figure 2). Facebook and Twitter posts featured DLR employees telling about their first summer job, and encouraged the public to share their stories and seek job search assistance as needed.
- Webinars were hosted in partnership with the South Dakota Retailers Association. Topics included: wage and hour, workers’ compensation, hiring people with disabilities, and the National Career Readiness Certificate.

e-Communications

- DLR launched a redesigned, mobile responsive website , which also debuted a new agency logo. The latest features include an events calendar with search capability, sliders to highlight announcements and resources, and mega menus for more direct links to forms, online applications, and program information (See Figure 3, Page 5).
- 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.

Figure 1: Employer Connection E-Newsletter

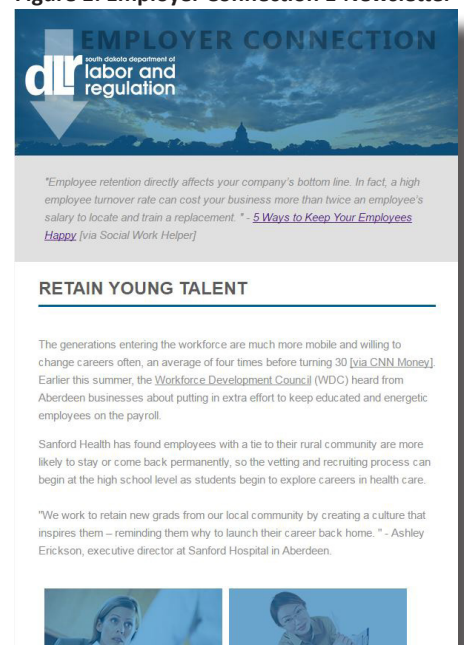
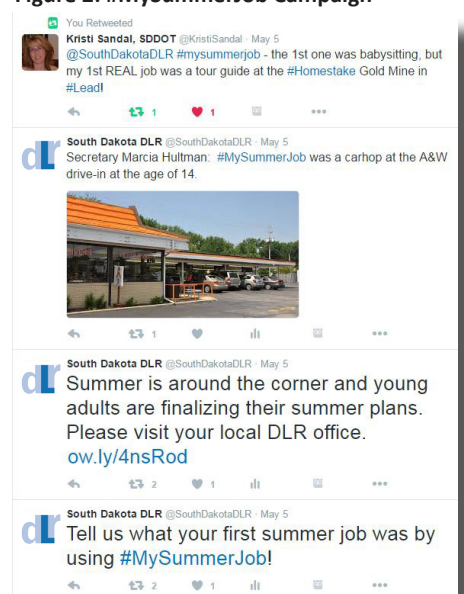


Figure 2: #MySummerJob Campaign



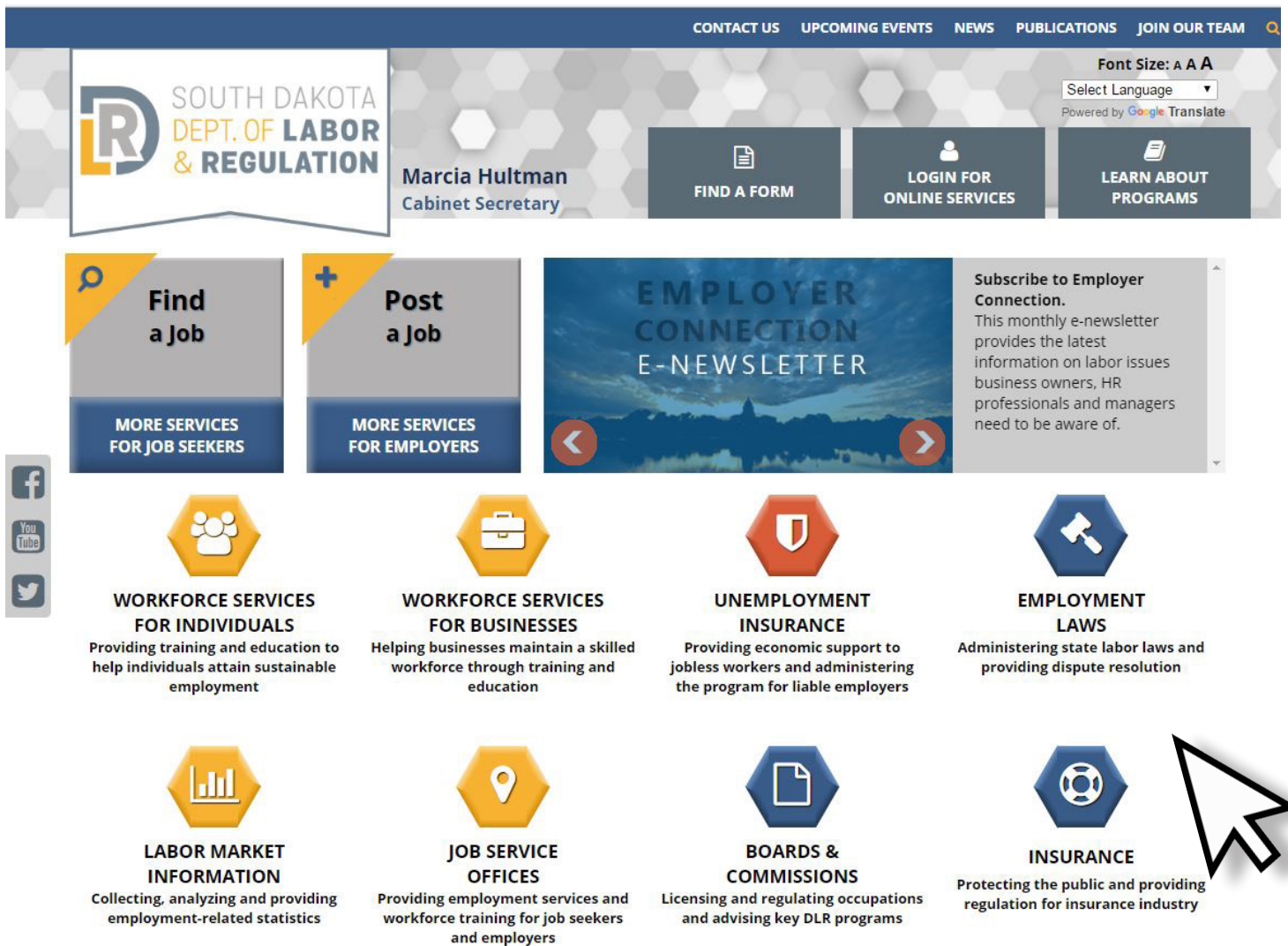


Figure 3: New DLR website, launched December 1, 2016

Organizational Development

- Strategic planning sessions were facilitated for the Divisions of Field Operations and Banking. Five-year plans and relevant mission statements will guide leadership and staff moving forward.
- Think tank groups were formed internally to tackle a number of emerging issues, including: improving internal communications, recruiting workers to state government, improving the onboarding and new employee orientation processes, and preserving institutional knowledge.
- The DLR management team completed emotional intelligence assessments and training provided by a certified EQi trainer from the Bureau of Human Resources.
- A “Join Our Team” recruitment page was created for the new DLR site. A video message from the Secretary, testimonials, and customized job descriptions will be effective strategies.

Labor Market Information Center

Overview

The Labor Market Information Center (LMIC) collects, analyzes, and provides to the public information on the labor market of the state. 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 2016, the LMIC handled approximately 12,630 requests for information, including the distribution of over 6,900 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:

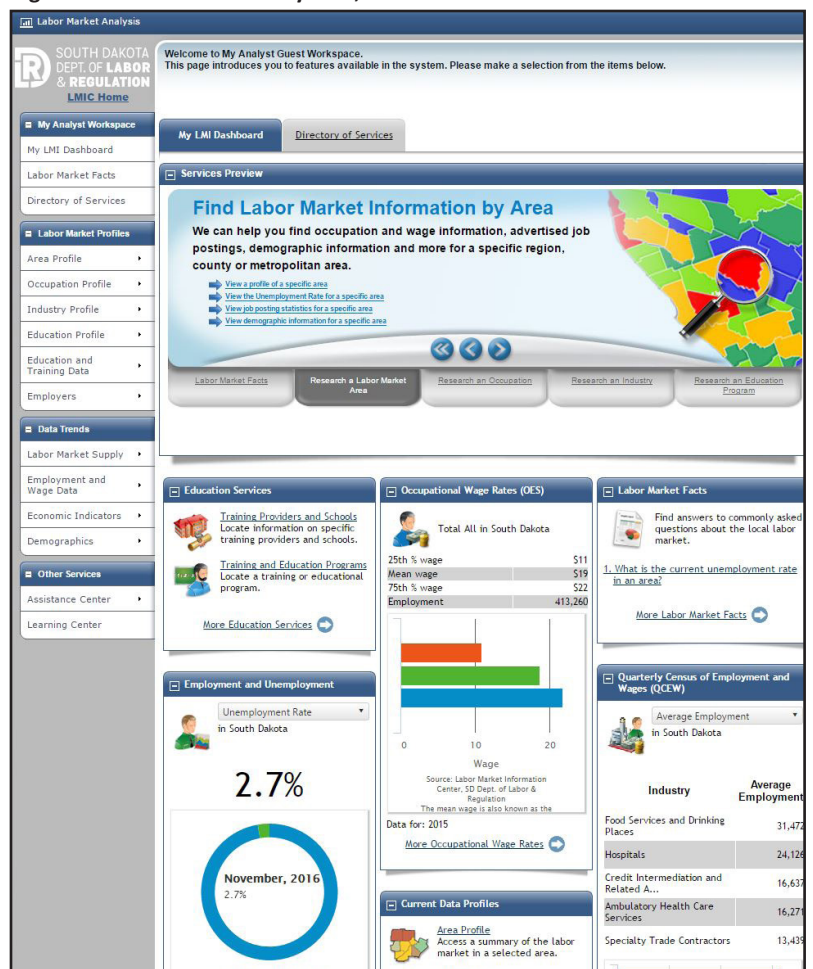
- Current Employment Statistics (CES) Program
- Local Area Unemployment Statistics (LAUS) Program
- Occupational Employment Statistics (OES) Program
- Quarterly Census of Employment and Wages (QCEW) Program

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.

Highlights

- A new virtual labor market data system was launched from the Labor Market Information Center’s website (Figure 4). The new system is technologically advanced and designed to be intuitive and flexible. Users can view the most recent statistics available, along with historical data, labor force and unemployment rates, employment and earnings by industry, population, and the Consumer Price Index. The new system offers greater functionality than the previous application, such as the ability to view or export graphs and maps of the data selected. It also can create customized profiles on a specific area, industry, or occupation with comparisons to a second option possible.
- The 2014-2024 occupational projections data was published. High-demand and high-wage occupations known as “hot careers” are featured on the website and promoted by employment services staff to career explorers and job seekers. A flier and poster were created for public distribution.

Figure 4: LMIC market data system, launched in 2016



WORKFORCE TRAINING

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



BILL MCENTAFFER
Workforce Training Director

Adult Education & Literacy | GED® Testing Program

DLR is committed to serving adults who are most in need of literacy services. These demographics include adults who are low-income or have minimal literacy skills, learners with disabilities, single parents, displaced or dislocated workers, and those with limited English proficiency (See Tables 4, 5, and 6). Other populations served 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 in order to obtain employment

ABE Educational Functioning Level Completion	2015	2016
ABE Beginning Literacy	43%	40%
ABE Beginning Basic Education	40%	51%
ABE Intermediate Low	33%	41%
ABE Intermediate High	31%	31%
Adult Secondary Education Low	41%	51%
Adult Secondary Education High	47%	65%

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

Improving the literacy, numeracy, and oracy skills of our workforce leads directly to a stronger economy. The instruction, activities, and services provided by the Adult Education and Literacy (AEL) programs promote family literacy, obtainment of a high school diploma equivalency, employment, and self-sufficiency. As illustrated in Table 6, 95 percent of AEL participants pursuing a GED® certificate, and finished the test battery, earned a GED® test credential during the 2015-16 program year.

ESL Educational Functioning Level Completion	2015	2016
ESL Beginning Literacy	35%	39%
ESL Beginning Low	53%	49%
ESL Beginning High	51%	53%
ESL Intermediate Low	46%	45%
ESL Intermediate High	56%	39%
ESL Advanced	41%	47%

Table 5 - English as a Second Language achievements for program years 2014 and 2015 (July 1 through June 30).

Core Indicators of Performance	2015	2016
Entered Employment	53%	54%
Retained Employment	74%	73%
GED® Credential Obtained	90%	95%
Furthered Education	9%	4%

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

Language instruction methodologies, such as workplace literacy, and action research projects were again priorities for the English Literacy Civics Program (See Table 5). These programs support our non-native speakers, immigrants, and former refugees in achieving linguistic, economic, and civic integration.

Trade Adjustment Assistance

The Trade Adjustment Assistance (TAA) program is designed to assist workers who have lost their jobs as a result of foreign competition. There were four certifications in South Dakota during the July 2015-June 2016 time frame. The state economy has been strong, and DLR has found many former dislocated workers are employed in similar occupations to their former jobs. Those who did not find employment have pursued new career fields and are attending post-secondary institutions. These trainings are focused on high-demand areas.

Workforce Innovation and Opportunity Act

The Workforce Innovation and Opportunity Act is designed by USDOL in partnership with other federal agencies to help job seekers and workers access employment, education, training, and support services to succeed in the labor market and match employers with skilled workers they need to compete in the global economy.



TOM HART
Deputy Secretary

Adult & Dislocated Worker

DLR has made it easy to register online, create resumes and apply for jobs without visiting a DLR local office for assistance. Coupled with the increasing availability of other job search resources, job seekers with limited or no barriers are becoming re-employed or making a career change on their own. This has decreased our local office foot traffic, but DLR continues to serve a great number of people in South Dakota. Participants using local office resources are more often time intensive due to a variety of barriers keeping them from quality employment.

As illustrated in Table 6, 73 percent of participants who entered employment retained the job. The goal of the adult program is not to see how many people we can serve, but to provide quality service and ensure individuals find long term suitable employment.

Youth

The WIOA Youth Program provides participants a systematic and coordinated approach to career services. This program serves individuals ages 14 through 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, 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 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.
- Youth, along with their parents.
- Employers and training providers from high demand sectors.
- Vocational Rehabilitation (VR) - together with DLR, develops methods to best assist youth with disabilities in their training and employment endeavors.
- Department of Corrections (DOC) - WIOA supports youth who have made poor choices get back on track with their future.

- Adult Education and Literacy (AEL) - assists youth who are lacking basic reading and math skills improve upon these essential workplace skills.
- Department of Social Services (DSS) - as WIOA provides intense training services to youth on public assistance or in foster care.

EMPLOYMENT SERVICES

The role of the Division of Employment Services (ES) 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 (SCSEP),
- Work Opportunity Tax Credit (WOTC), and
- Management Information System (MIS) – SDWORKS

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



ANDREW SZILVASI
Employment Services Director

Foreign Labor Certification

The Foreign Labor Certification (FLC) 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 when there are insufficient qualified U.S. workers available and willing to perform the work. Wages must meet or exceed the prevailing wage paid for the occupation in the area of intended employment. FLC programs are designed to ensure the admission of foreign workers into the U.S. on a permanent or temporary basis does not adversely affect the job opportunities, wages, and working conditions of U.S. workers.

DLR assists with the administration of H-2A, or temporary agricultural program, and the H-2B, or temporary non-agricultural program. During federal FY14 (the last completed year of federal disclosure data was available), DLR saw the following activity in South Dakota:

H-2A Temporary Agricultural

- South Dakota agricultural employers filed 140 H-2A temporary agricultural applications with 133 certified.
- 656 H-2A positions certified.
- Central South Dakota was the region with the most requested H-2A workers.
- The top occupation for H2-A positions was Grain Farming.

H-2B Temporary Non-Agricultural

- The H-2B program in South Dakota had 82 applications filed with 70 certified.

- There were 1,019 H2-B positions certified.
- The region with the most requested workers was eastern South Dakota.
- The top occupation for H2-B positions was construction laborers.

Temporary Assistance for Needy Families

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

As the principal performance outcome mandated by the U.S. Department of Health and Human Services, DLR

TANF Performance Measures		2015	2016
TANF Applicants (mandatory, from DLR counties)		3,488*	3404
Caseload	Monthly Average	156	208
Employment	Job Entries	669	571
	Job Entries with medical benefits	24%	22%
Average Starting Wage		\$9.35/hr	\$10.88/hr

Table 7 - Temporary Assistance for Needy Families activities for federal fiscal years 2015 and 2016.

*Caseload correction due to error in reporting from previous year.

strives to improve the TANF participation rate. The federal government requires South Dakota to achieve a 50 percent participation rate in order to receive full TANF block-grant funding. The most recently completed federal fiscal year ended September 30, 2016. DLR reached 48 percent of the required participation rate for the TANF clients living in DLR counties (non-reservation counties) in South Dakota. However, combining efforts with DSS offices, the statewide participation rate reached 50.2 percent, achieving the required goal.

DLR continues to provide individualized, intensive case management to all TANF households. Strengthening partnerships with community organizations is a high priority. In cooperation with WIOA programs, TANF has taken full advantage of opportunities to leverage program dollars and help as many eligible South Dakota families as possible. We aggressively promote education and job training as ways to help improve a person's objectives.

Some of DLR's innovative TANF projects include:

- A comprehensively managed work-site and 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.
- A workplace English project for Limited English Proficient (LEP) participants in Sioux Falls.

DLR also makes every attempt to assist potential TANF participants with financial diversion opportunities prior to obtaining full TANF benefits. This diversion program is designed to assist potential TANF participants with a one-time cash payment. One-time payments could be used to purchase items to help obtain employment, such as work and interview appropriate clothing. The funds assist the individual with a good start in their job search or employment without the need to apply for regular TANF benefits.

Technical Services

This section of ES oversees the Senior Community Service Employment Program (SCSEP), SDWORKS, Veterans' Services, the Work Opportunity Tax Credit (WOTC) program, and department project management of Information Technology (IT) projects.

Senior Community Service Employment Program

SCSEP is a community service and work-based job training program for older Americans. Authorized by the Older Americans Act, the program provides training for low-income, unemployed seniors. DLR develops partnerships with non-profits and government agencies to provide individuals, age 55 or older, the opportunity for a valuable part-time work experience and other training activities to become competitive in today's workforce. DLR is currently in its second full year of administering the state portion of the SCSEP grant.

From July 1, 2015, to June 30, 2016, the SCSEP state grant provided services to 76 older workers age 55 and older. Participants worked a total of 44,818 hours in South Dakota communities. Almost 40 percent of participants found unsubsidized employment and 83.3 percent retained employment for at least one year.

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 PY15, (July 1, 2015-June 30, 2016), 94,713 job openings were received, and 54,543 job seekers utilized SDWORKS and received a reportable service. To make the system more user-friendly, a number of enhancements have been made to both the job-seeker and employer portions of the website. In February 2015, DLR launched the SDWORKS mobile-friendly site.

In the coming year, SDWORKS will see a radically different new look, feel, and level of user-friendly enhancements. Efforts to complete this project in 2017 began in January 2016 when a contract was signed with a workforce software vendor after an extensive vetting and RFP process. The project will completely overhaul and modernize the state's Management Information System (MIS), SDWORKS. Geographic Solutions, Inc. (GSI) of Palm Harbor, FL, was awarded the contract to begin customizing their workforce software to meet the needs of DLR staff, SD employers/businesses, and job seekers. GSI will also prepare for the extensive WIOA reporting changes and methods currently taking place. The new MIS will be a state-of-the-art job search, case management, program management, and reporting system. Staff began training for the new system in the later part of 2016.

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 (See Table 8).

The Work Opportunity Tax Credit

The Work Opportunity Tax Credit (WOTC) is a federal income tax credit encouraging employers to hire those with employment barriers. WOTC produced 5,148 certifications, an increase of 88 certifications from 2015 (See Table 9). The program has saved South Dakota employers nearly \$13.5 million in tax credits.

Veterans' Services Goals/Performance		2015 Goal Rate	2016 Goal Rate
Veterans'	Entered Employment Rate	65% 75%	65% 74%
	Employment Retention Rate	83% 85%	83% 83%
Disabled Veterans'	Entered Employment Rate	59% 61%	59% 62%
	Employment Retention Rate	83% 80%	83% 79%

Table 8 - Statewide veterans' service goals and achievements for federal fiscal years 2015 and 2016 (October 1 through September 30).

Workforce Opportunity Tax Credit	2015	2016
Certifications	5,060	5,148
Denied Applications	4,354	4,444
Pending Applications	82	402
Conditional Applications	669	580
Total Applications	10,165	10,574
Acceptance	53.7%	53.7%
Tax Dollar Savings	\$13,498,800	\$13,483,800

Table 9 - Workforce Opportunity Tax Credit activities for federal fiscal years 2015 and 2016 (October 1 through September 30).

FIELD OPERATIONS

The Division of Field Operations is responsible for the DLR local 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 job seekers and employers with their employment needs by providing dedicated career services. 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 success, rigorous performance goals are set in each of the areas listed in Table 10. On average statewide, goals are met or exceeded for the number of job seekers, the average wage of successful job seekers, and the number of disabled veterans retaining employment.

During SFY16, employment services had 65,500 participants, up 2.2 percent compared to the SFY15 total of 64,080 participants. There were 91,566 jobs received in SFY16, up 1.8 percent from 89,966 jobs received in SFY15. Several DLR local offices met their annual objectives, but were unable to bring the statewide average to the desired level.

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 found claim durations were shorter if more attention was given to the claimant's efforts to find work. The program also ensures claimants comply with the federal and state requirements to actively seek work as a condition of receiving benefits.

Any person receiving Unemployment Insurance (UI) benefits for more than 10 weeks is required to seek one-on-one assistance from a DLR local office. Staff assist the claimant in identifying in-demand careers, evaluating their current skills, identifying training options, and directing them to appropriate job referrals. Currently, all claimants must actively search for work. Failure to participate will result in loss of unemployment benefits. The difference between a RIS participant receiving UI benefits and a non-participant is significant. The average duration of a UI claim for a RIS participant is 2.9 weeks shorter than a person not receiving services.

The program completed its fourth full year in April 2016. In SFY16, a total of 1,679 people were referred to RIS. Of the 1,178 completing the program, 749 (63.6 percent) obtained employment, 102 (8.7 percent) exhausted benefits, and 327 (27.8 percent) stopped filing for unemployment. The estimated savings since FFY11 is \$10.1 million in the UI trust fund.



MICHAEL L. RYAN
Field Operations Director

Statewide Employment Service Goals/Performance	2015 Goal Rate	2016 Goal Rate
Entered Employment Rate	61% 65%	79% 82%*
Employment Retention Rate	84% 85%	88% 89%*
6 Month Average Earnings	\$12,000 12,759	\$11,862 \$12,643

Table 10 - Statewide employment goals and achievements for state fiscal years 2015 and 2016 for Wagner Peyser. (July 1 through June 30).

*2016 goals and rates are rounded to nearest whole percentage and dollar amount. Goals and rates changed between SFY2015 and SFY2016 due to changes in performance measure formulas under the Workforce Innovations and Opportunities Act (WIOA) of 2014.

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 provide essential one-on-one assistance, such as locating 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.

10 Year Anniversary Celebration

Dakota Roots managers, job advisors, and the administrative team gathered in Pierre on Oct. 27, 2016, to celebrate 10 years of recruiting workers to South Dakota. The agenda included a look back on previous marketing efforts, websites, and logos; sharing of unique and interesting statistics; a roundtable of favorite success stories; and a special appearance by Governor Dennis Daugaard and First Lady Linda Daugaard thanking everyone for their hard work to improve the state's economy and workforce.

Marketing Efforts

The following activities took place during FY16. The primary target audience was Adults 25-44 with a connection to South Dakota; the secondary audience was South Dakota residents.

Website Redesign

DakotaRoots.com was redesigned and launched Oct. 29, 2015 (Figure 5). The priorities of the redesign were to tell stories, add a human element, simplify the calls to action, and modernize the user experience. Real job seeker testimonials were added. Other features incorporated included career exploration tools, quality of life facts, real wage calculator, relocation tips, and information about doing business in South Dakota. The new design and testimonials also carried over into the Dakota Roots social media channels.

October 2015 – June 2016

- Sessions: 39,807
- Average Page Views: 2.43
- Average Sessions: 00:00:42
- Top Visiting States: South Dakota, Minnesota, Iowa
- Top Referring Tactics: Display, Social, Star Tribune

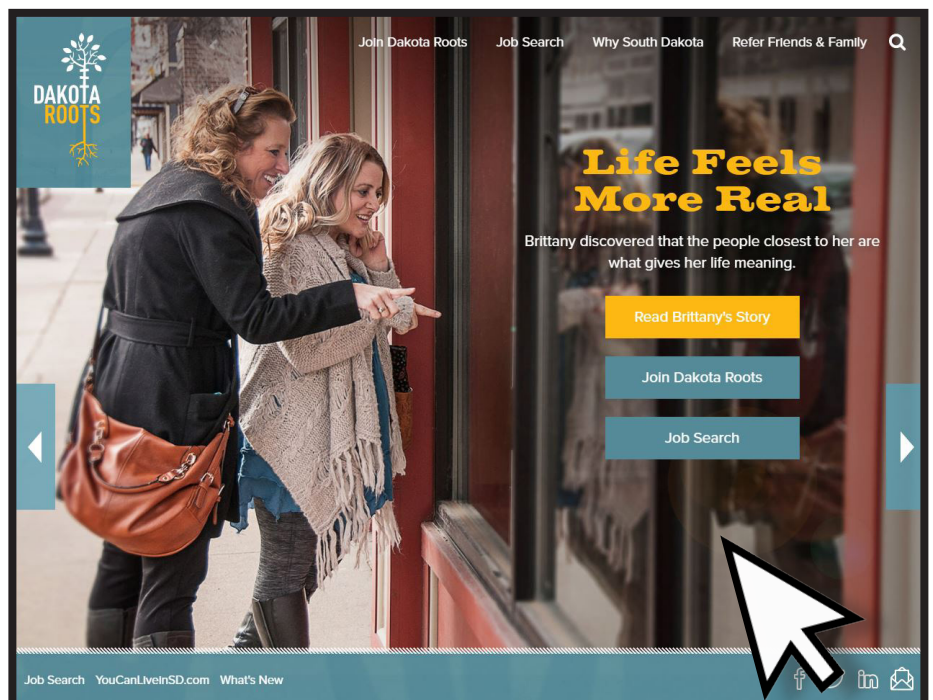


Figure 5: Dakota Roots Website

Alumni Rich State Targeting

Google Search – Regional search campaign with keywords for South Dakota jobs, South Dakota employment, South Dakota job search, and relocating to South Dakota (November thru June)

- 98,350 Impressions
- 2,540 Clicks
- 2.58 percent CTR

Google Display – Rich media image lightbox ads and static banners in Minnesota, Iowa, Nebraska, Wisconsin, and Wyoming keyword targeting in-market audiences; industry, business, and trade topic pages; and job search, resume, etc. pages (November thru January; March thru May)

- 4,604,232 Impressions
- 10,310 Clicks
- 0.22 percent CTR

Facebook – Newsfeed and tile ads in Minnesota, Iowa, Nebraska, Wisconsin, and Wyoming regional to those with connections or interests in South Dakota universities, attractions, etc. (November thru January; March thru May)

Star Tribune Jobs Print/Digital – 5 x 5, full color Sunday jobs ads; job seeker audience targeting on StarTribune.com (300x600 and 970x90) (November thru January; March thru May)

- 847,533 Impressions
- 812 Clicks
- 0.10 percent CTR

The South Dakotan Coyotes Alumni Association – ½ page, full color; 60,000 households of USD alumni, including 40,000 out-of-state (January and June)

State Magazine Jackrabbits Alumni Association – ½ page, full color; 65,000 households of SDSU alumni and friends, including 31,991 out-of-state (February and June)

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 percent average of emails opened.

Local Targeting

South Dakota Magazine – 1/3 page, full color; 300x250 digital ad; 45,000 subscribers, 17,000 out-of-state (November thru February and May thru June)

- 276,769 Impressions
- 5,495 clicks
- 1.98 percent CTR

Facebook – Newsfeed and tile ads for a South Dakota referring campaign (November thru March and May thru June)

Event Sponsorships

Dakota Days Homecoming: Saturday, Oct. 3, 2015

- Job advisors had a table with a game and giveaway items in tailgating area, which provided a great opportunity to reach alumni. Other promotions included temporary signage, video boards, program ad and insert, and game day ball accepted by Deputy Secretary Tom Hart.

Hobo Days: Saturday, Oct. 24, 2015

- Staff had a table and giveaway items in tailgating area, which provided a great opportunity to reach alumni (Figure 6). Other promotions included network radio ads, print ads, videoboard, PA recognition, on-field signage, and social media posts.



Figure 6: Hobo Day Photos

Statistics

Annual Data	2015	2016	Total*
New Registrations	1,676	1,665	28,096
Entered Employments	452	345	4,636

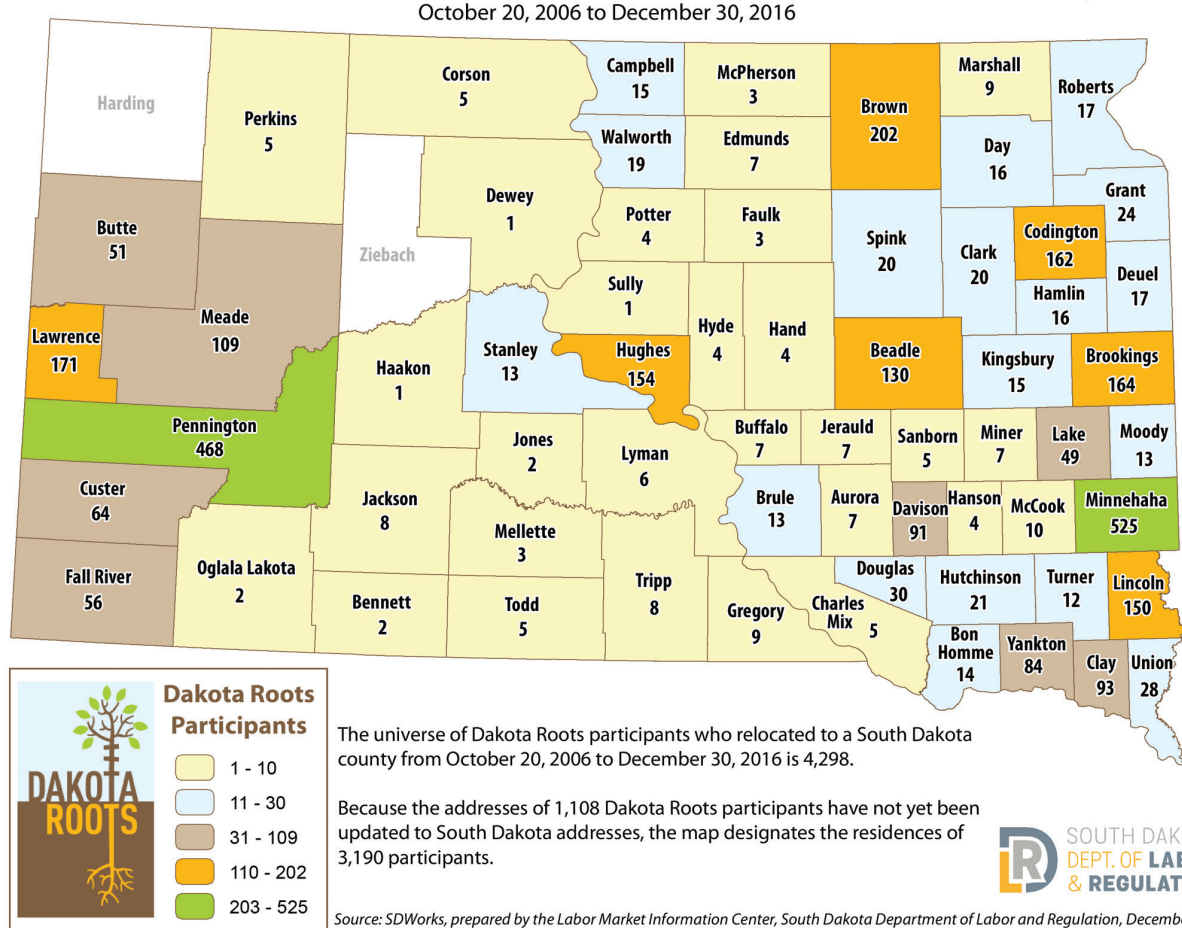
Table 12 - *Dakota Roots was launched on October 20, 2006.

Top 10 States of Transplants

1. Minnesota
2. Nebraska
3. North Dakota
4. Iowa
5. Colorado
6. California
7. Wisconsin
8. Texas
9. Wyoming
10. Florida

Dakota Roots Participants' Relocation by South Dakota County

Figure 7



National Career Readiness Certificate

The National Career Readiness Certificate (NCRC™) is an industry- 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 2015-2016 school year to reach 1,020 additional students at public school districts. Of the students who took the WorkKeys© assessments, 94.40 percent earned a National Career Readiness Certification at a Bronze, Silver, Gold or Platinum level.

In 2016, DOE developed promotional materials to provide 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 to 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 businesses, and over 100 employers currently recognize the NCRC in their hiring practices.

Platinum	Gold	Silver	Bronze	No Cert	TOTAL
11	782	2,141	506	204	3,644
0.30%	21.46%	58.75%	13.89%	5.60%	100.00%

Table 13: 2015-2016 Student Certificate Results

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 (See Table 14) reflects the improvement in economic conditions. This year saw an approximate decrease of 1,100 in the number of applications for benefits received for processing. Individuals receiving benefits decreased from 2015 to 2016. Because individuals are having more success finding new jobs, the total number of weekly payments also decreased. Total dollars paid out increased slightly by just over \$282,000.

Integrity Systems

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 15, during the past fiscal year, the amounts in every measured category decreased. We continued in our efforts to minimize overpayments and fraud.

Challenges of 2016

Our primary challenge of 2016 was to maintain successful operations in an environment of budgetary constraints and changing technology. The division staff continues to be challenged to simultaneously 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.

The trust fund balance (See Table 17, Page 18) continued to increase from \$89.5 million on June 30, 2015, to \$102.8 million on June 30, 2016.

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 \$102.8 million.

Benefits		2015	2016
Applications for Benefits		15,267	14,122
Total Number of Weekly Payments		84,472	80,809
Number of Individuals Who Received Benefits		5,983	5,881
Dollars Paid Out	State Benefits	\$23,757,860	\$24,007,476
	Federal Claims	\$1,516,627	\$1,606,125
	Total	\$25,274,487	\$25,613,601
Average Number of Weekly Payments per Claimant		14.1	13.7
Maximum Weekly Payment		\$366	\$380
Average Weekly Payment		\$297	\$312

Table 14 – Unemployment Insurance benefits for fiscal years 2015 and 2016 (July 1 through June 30).

Integrity Systems	2015	2016
Amount of Benefit Overpayment Debt	\$866,758	\$744,643
New Overpayment Cases	1,697	1,819
Percent of Cases Involving Fraud	32.9%	31.1%
Dollar Amount of Overpayment Fraud	\$285,270	\$231,874
Dollar Amount Collected Back	\$849,926	\$757,782
Number of Collection-Related Correspondence Items	7,188	7,048
Number of Civil Actions	2,024	1,889
Convictions Obtained	4	3
Cases Pending	32	37

Table 15 – Unemployment Insurance integrity systems performance measures for fiscal years 2015 and 2016 (July 1 through June 30).

Tax Administration/ New-Hire Reporting	2015	2016
Delinquent Notices	6,206	6,665
Subpoenas to Non-Compliant Employers	361	427
% Status Determinations Made Within 90 Days	86.3%	86.6%
New-Hire Reports	195,476	236,936

Table 16 – Unemployment Insurance tax administration and new hire reporting for fiscal years 2015 and 2016 (July 1 through June 30).

Unemployment Insurance Trust Fund	2015	2016
Taxes Received for Regular State Benefits	\$39,165,451	\$36,668,614
Interest on Trust Fund	\$1,968,672	\$2,206,098
Trust Fund Balance (end of year)	\$96,718,867	\$102,764,413
Number of Employers (end of year)	26,723	27,248

Table 17 – Unemployment Insurance trust fund for fiscal years 2015 and 2016 (July 1 through June 30).

LABOR AND MANAGEMENT

The Division of Labor and Management is responsible for administering the state’s labor laws. Its mission is to responsibly 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



JAMES MARSH
Labor and Management Division Director

Workers’ Compensation

The division’s dispute resolution, regulatory enforcement, and investigation activities remained similar to previous years.

For the second time in four years, our unemployment appeals unit has received the USDOL award for being the best in the U.S., based on the quality of the hearings they conduct and the timeliness of their decisions.

Hearing and Settlement Activities	2015	2016
Workers' Compensation Hearings	13	9
Grievance Hearings	1	0
Unfair Labor Practice Hearings	0	1
Elections	3	0
Unit Determinations	0	0
Impasse Conciliations	5	4
Fact Findings	0	2
Mediations	70	40
Conference Calls	59	39

Table 18 - Hearing and settlement activities for calendar years 2015 and 2016 (as of December 1).

Workers' Compensation Activities	2015	2016
Pre-hearing Conferences Held	147	110
Agreements Approved	States Files	116
	Hearing Files	140
Permanent Partial Disabilities Approved	688	519
Permanent Partial Disabilities Reviewed	846	631
First Report of Injuries Received	23,763	18,998
Money Collected	Searches, copies, mailing	\$60,008
	Wage & Hour	\$50,421

Table 19 - Workers' compensation activities for calendar years 2015 and 2016 (as of December 1).

Unemployment Appeals	2015	2016
New Filings	950	739
Cases Ruled on or Dismissed	1,036	765
Percent Cases Decided Within 30 Days	90%	92%
Cases Awaiting Decision	52	56

Table 20 - Unemployment insurance appeals for calendar years 2015 and 2016 (as of November 1).

Human Rights Activities	2015	2016
Potential Discrimination Charges	387	319
Requests for Information	94	130
Intakes of Discrimination Complaints	142	136
Investigations Opened	77	79
Investigations Closed	85	54
EEOC Transfers	21	24
Money Collected for Charging Parties	\$27,750	\$24,000

Table 21 - Human rights activities for calendar years 2015 and 2016 (as of December 1).

BANKING

The mission of the Division of Banking is to charter, license, regulate, and provide guidance to South Dakota financial entities to instill consumer confidence, protect consumer interests, and provide a stable regulatory environment through a balanced and efficient approach.

Year in Review

For the fourth year in a row, South Dakota banks participated in a research effort that culminated in findings presented at the 4th Annual Community Banking in the 21st Century Research and Policy Conference at the Federal Reserve Bank of St. Louis. The research coming out of this conference is becoming part of the policy making process in Washington, DC and will lead to better regulatory policy for community banks. Prior to this effort led by the Conference of State Bank Supervisors and Federal Reserve System, there was almost no research analyzing and documenting the profound contributions of community banks operating all across the United States. The overwhelming majority of these community banks that number in the thousands are chartered by the states.

To read a summary of the South Dakota contribution to this research effort, please go to: https://www.communitybanking.org/documents/2016-Conference-Papers/CB21Cpublication_2016.pdf

In early 2016, legislative authority was provided to the Division to form a captive insurance company to better protect the Division against the costs associated with a trust company failure. Unlike with federally insured banks, the Division must bear all costs associated with a trust company failure. After a great deal of work throughout the year and with the help of many advisors and consultants, the Division has received approval to operate the South Dakota Trust Company Receivership and Liquidation Captive Insurance Company, LLC. This company will be operating and providing coverage before the start of 2017.

On November 8, South Dakota voters overwhelmingly voted to adopt Initiated Measure 21 (IM 21). IM 21 included a 36 percent interest rate limit for all loans made by all money lenders licensed in South Dakota under chapter 54-4. The provisions of IM 21 became law in South Dakota on November 16; just eight days after Election Day. While we will not fully understand the impact of this measure until we are well into 2017, it is clear that many lenders will not renew their license in South Dakota and many more will renew their license for 2017 only for the purpose of collecting loans originated prior to November 16, 2016.



BRET AFDAHL
Banking Division Director

Revenues	2015	2016
Bank Examination Fees	\$1,524,990	\$847,321
Trust Company Examination Fees	350,506	290,536
Trust Company Supervision Fees	700,383	812,284
Trust Company Charter Fees*	25,000	20,000
License Fees	501,245	989,395
Licensing Examination Fees	18,294	28,471
Investment Council Interest	43,259	70,462
Miscellaneous	15,726	9,055
Totals	\$3,179,403	\$3,067,524

Table 22 - Comparison of revenues by category for fiscal years 2015 through 2016.

*Deposited in general funds.

Performance Indicators	2015	2016
License Exams (onsite)	10	19
Banks Examined	20	16
Trust Companies Examined	24	34
Licenses Issued or Renewed	2,624	3,334
State-chartered Banks	56	52
State-chartered Trust Companies	78	86
Bank Assets	\$23,833,000,000	\$25,293,667,000
Trust Assets	\$175,133,826,000	\$226,054,306,000

Table 23 - Performance Indicators for fiscal years 2015 through 2016.

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.



LARRY DEITER
Insurance Division Director

Year in Review

Insurance products continue to evolve and develop at a rapid pace as the availability of information expands through advanced technology. As new products and services are introduced to the market and existing offerings are updated, an effective and responsive approach to regulatory policies must be maintained by the Division to ensure compliance with state laws and rules while providing protection and opportunity for consumers. The Division’s participation at the National Association of Insurance Commissioners throughout the year ensures South Dakota maintains a uniform national overview of the insurance landscape along with a strong voice while retaining reasonable state based regulation for companies and consumers. Topics debated during the year

Performance Indicators		2015	2016
Total Licensed/Domestic Companies		1,416/70	1,385/73
Domestic Companies Financial Exams		3	5
Company Market Conduct Exams		5	5
Companies Licensed/Approved Mergers		28/16	17/11
Agent Licenses Issued		15,199	16,614
Agent Appointments Issued		63,892	81,665
Agent Licenses Renewed		23,070	28,827
Resident Agent Renewals		3,422	1,699
Renewed Appointments		203,150	197,247
Agent Appointment Cancellations		58,362	70,482
Property/Casualty Filings Reviewed		7,599	6,046
Life/Health Filings Reviewed		3,372	2,828
Consumer Complaints Closed		644	742
Enforcement/Closed Files		1,154	1,195
Continuing Education Courses Reviewed		747	670
Subsequent Injury Fund	New Claims	3	3
	Claims Paid	72	65

Table 24 - Insurance Division Performance Indicators for fiscal year 2015 to 2016.

included cybersecurity regulation, use of big data, autonomous vehicles and the continued burden that healthcare reform has placed on consumers and companies in the health insurance market.

Accomplishments

The Division introduced four bills during the 2016 Legislative Session. This enacted legislation updated standards used for the regulation of risk retention groups, removed outdated language from statute, clarified fees applicable to a sponsored captive insurance company, and revised provisions concerning bail bondspersons.

The Division successfully completed an interim annual review to maintain its accreditation status with the NAIC. Continued accreditation of the financial regulatory area affirms the division's success in meeting baseline standards for solvency regulation, particularly with respect to regulation of multi-state insurers, and allows other states to rely on the division's uniform financial regulatory oversight.

Challenges

Federal health care reform continues to be an ongoing challenge for the Division of Insurance and the insurance industry. The change in federal administration will bring anything from a full repeal to significant modifications or a replacement yet to be identified to the current health care coverage environment. The Division expects to work with state leadership and South Dakota's congressional delegation to determine the best course of action to help stabilize the state's insurance market and minimize the impact to consumers.

Revenues		2015	2016
Total General Funds Collected / Premium tax		\$79,706,674	\$84,541,512
Fees (Insurance Operating Fund)	Admissions	92,020	76,488
	Company Renewal	81,235	81,480
	Agent Licensing/Renewal	8,413,011	8,559,141
	Exam Fees	15,440	15,160
	Miscellaneous and Legal	8,399	7,949
	Retaliatory/Filing	1,442,179	1,172,200
	Administrative Penalties	1,252,694	554,577
	Lists and Labels	1,180	270
	Certification Letters	4,160	3,860
	Investment Council Interest	16,335	19,626
	Course Approval	18,675	16,475
Subsequent Injury Fund	Sub-Injury Fund Assessment	7,708	3,492,914
	Investment Council Interest	14,855	21,208
Continuing Education Fund	Agent Renewal Fees	73,980	37,270
Workers' Compensation Policy	Fee (Transferred to USDOL)	274,331	277,871
Special Collections	Examination Fund (effective 7/1/97)	1,359,000	1,342,000
	Investment Council Interest	0	0
Federal Grants		303,599	146,702
Total		\$93,085,475	\$100,366,703

Table 25 - Insurance Division Revenues for fiscal year 2015 to 2016.

SECURITIES

The Division of Securities sets rules and procedures to ensure investments sold in South Dakota meet standards of full disclosure, including securities products, franchises, and 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

The Division of Securities continued to move forward and carry out its regulatory responsibilities in FY16. In addition, the Division monitors federal law changes, which could potentially impact state securities laws and rules. The Division updated various rules during the fiscal year.

One bill was introduced by the Division during the 2016 Legislative Session. Senate Bill 46 revised the notice filing fee for open-end management companies with an effective date of July 1, 2016. This bill has resulted in simplified categories and processes, as well as an increase in fees collected.



MIKE YOUNGBERG
Securities Division Director

Performance Indicators	2015	2016
New Securities Applications	46	32
Extension and Amendments	65	57
Private Placement	1	1
Reg. D – 506 Notice Filing	324	199
Reg. A Tier II Notice Filing*	N/A	13
Investment Company NFs - New	3,909	3,495
Investment Company NFs - Total	25,268	24,440
New Franchise Applications	222	184
Total Franchise Registrations	828	774
Franchise Extensions	636	566
Business Opportunities - New	-	-
Business Opportunities - Total	2	2
Broker - Dealers Licensed	1,243	1,235
Broker - Dealers Agents Licensed	89,810	94,432
Investment Advisors Licensed	45	45
Investment Advisors Agents Licensed	1,735	1,819
Investment Advisors Notice Filings	819	806
Franchise Applications Withdrawn	181	195
Investigations	84	129
Compliance Examinations	19	17
Administrative Orders Issues	30	54
Opinions Requested	3	5

*Rule adopted in FY2016

Table 26 - Performance Indicators for fiscal years 2015 through 2016.

Revenues	2015	2016
Securities Registration Fees	\$77,362.90	\$45,240.00
Franchise Registration Fees	\$152,400.00	\$153,150.00
Franchise Exemption Fees	\$ 0	\$ 0
Business Opportunity Fees	\$100.00	\$100.00
Securities Opinion Fees	\$100.00	\$850.00
Investment Company Notification Fees	\$22,886,950.00	\$24,027,525.00
Agent Licensing Fees	\$13,285,875.00	\$14,074,375.00
Broker-Dealer Licensing Fees	\$244,550.00	\$192,600.00
Investment Advisor Fees (State)	\$4,900.00	\$4,700.00
Investment Advisor Agent Fees	\$99,750.00	\$105,650.00
I/A Notice Filings	\$235,000.00	\$169,200.00
Miscellaneous	\$1,690.00	\$10,910.00
Investment Council Interest	\$37,359.93	\$43,191.00
Private Placement/Reg D 506 & Other	\$220,750.00	\$121,475.00
Fines	\$76,375.10	\$70,000.70
Total Revenues	\$37,323,162.83	\$39,018,966.70

Table 27 - Revenues for fiscal years 2015 through 2016.

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 qualified applicants, to examine and license new title plants and those changing ownership to maintain quality and compliance, to monitor and ensure the quality of 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 Board of Barber Examiners protects the health and safety of the consumer public by licensure of qualified

Board/ Commission Performance Indicators	Licenses Renewed		New Licenses		Total Practitioners		Examinations		Complaints		Inquiries	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
	Abstracters' Examiners	80	81	2	2	227	83	3	3	1	0	110
Accountancy	1,1915	1,1925	93	70	1,1829	1,818	94	102	24	11	7,440	7,440
Athletic	N/A	N/A	216	232	N/A	N/A	N/A	N/A	0	0	100	250
Barber Examiners	272	254	7	9	161	172	1	0	0	0	510	515
Cosmetology	7,661	7,906	876	842	5,766	6,113	350	334	17	22	17,000	17,000
Electrical	1,133	3,480	710	825	5,609	4,603	380	299	0	0	N/A	N/A
Plumbing	2,409	2,390	278	350	2,687	2,740	126	107	18	10	3,744	3,577
Technical Professions	3,622	481	613	579	8,020	8,289	325	325	7	2	2,500	2,752
Real Estate	1,628	1,824	326	400	3,651	3,853	584	649	74	99	59,482	58,982

Table 28 - Boards and Commissions performance indicators.

persons, licensing and inspection of barbershop facilities, enforcement of the statutes, rules and regulations governing the practice of barbering including the appropriate resolution of complaints.

Cosmetology Commission

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.

Real Estate Commission

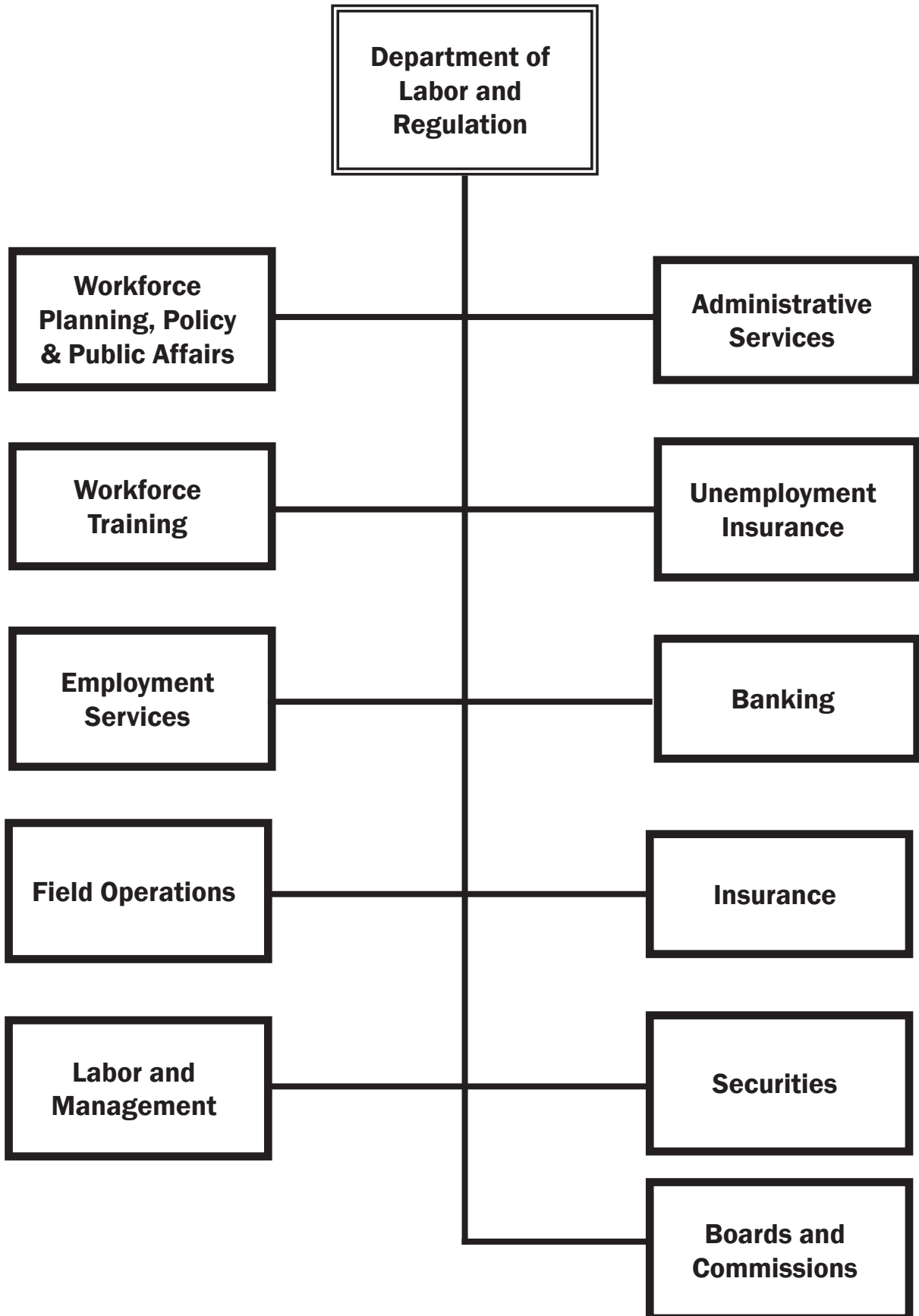
The Real Estate Commission is a regulatory body charged with administering the Real Estate Licensing Act, the Timeshare Act, the Condominium Act and the Subdivision Act.

The mission of the Real Estate Commission is to protect the interest of the public when engaged in a real estate transaction. It is the commission's responsibility to enforce standards for education, licensing and practice of real estate brokers, salespersons, auctioneers, property managers, residential rental agents, timeshare agents and home inspectors, and for registration of condominium, timeshare and subdivision projects.

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 architect, professional engineers, land surveyors, landscape architects, and petroleum release assessors and remediators.

APPENDIX: ORGANIZATIONAL CHART



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.

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