

Agency Name:	Workers' Compensation Commission		
Agency Code:	R080	Section:	74



Fiscal Year FY 2026-2027

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2026-2027, my agency is (mark "X"):	
	☐	Requesting General Fund Appropriations.
	☐	Requesting Federal/Other Authorization.
	☒	Not requesting any changes.
NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2026-2027, my agency is (mark "X"):	
	☐	Requesting Non-Recurring Appropriations.
	☐	Requesting Non-Recurring Federal/Other Authorization.
	☒	Not requesting any changes.
CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2026-2027, my agency is (mark "X"):	
	☐	Requesting funding for Capital Projects.
	☒	Not requesting any changes.
PROVISOS <i>(FORM D)</i>	For FY 2026-2027, my agency is (mark "X"):	
	☐	Requesting a new proviso and/or substantive changes to existing provisos.
	☐	Only requesting technical proviso changes (such as date references).
	☒	Not requesting any proviso changes.

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

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Gary M. Cannon	(803) 737-5726	gcannon@wcc.sc.gov
SECONDARY CONTACT:	Kristen S. McRee	(803) 737-5671	kmcree@wcc.sc.gov

I have reviewed and approved the enclosed FY 2026-2027 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE: TYPE/PRINT NAME:	<u>Agency Director</u>	<u>Board or Commission Chair</u>
	 Gary M. Cannon	 T. Scott Beck

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

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FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$180,496
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	Transfer the salary and fringe expenditures for the Commission's General Counsel and one Staff Attorney from the General Fund to the Earmarked Fund (2 total FTEs). The total salary and associated fringe is \$274,683.
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	This reduction in funding would not impact the functioning of the Commission's Legal Department. There would be no programmatic or operational impact based upon the funding change.
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What programs or activities are supported by the General Funds identified?

SUMMARY	These 2 FTE positions provide legal counsel to the agency by reviewing legal issues, performing legal research, advising the Commissioners, writing appellate panel decisions, assisting outside counsel with litigation, preparing proposed amendments to regulations and statutes, reviewing contracts with outside parties, and performing other legal counsel as necessary. The transfer of expenditures from the general fund to earmarked fund would not impact this program as funding would be generated by filing fees and fines as opposed to an appropriation.
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AGENCY COST SAVINGS PLANS

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

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FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Reduction in Copy Costs and Form 18 Fines <i>Provide a brief, descriptive title for this request.</i>								
EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Agency updates to the Information Technology Legacy System that permit our stakeholders, who are parties to a claim, to e-file, e-view, and e-print case documents have resulted in a total estimated cost savings of \$70,000 since FY2022. Agency updates to the IT Legacy System that permit insurance carriers to electronically submit Form 18 Periodic Reports have resulted in a total estimated cost savings of \$200,000 since FY2023. <i>What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.</i>								
FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply: <table border="1"> <tr> <td>☐</td><td>Repeal or revision of regulations.</td></tr> <tr> <td>☒</td><td>Reduction of agency fees or fines to businesses or citizens.</td></tr> <tr> <td>☐</td><td>Greater efficiency in agency services or reduction in compliance burden.</td></tr> <tr> <td>☐</td><td>Other</td></tr> </table>	☐	Repeal or revision of regulations.	☒	Reduction of agency fees or fines to businesses or citizens.	☐	Greater efficiency in agency services or reduction in compliance burden.	☐	Other
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☒	Reduction of agency fees or fines to businesses or citizens.								
☐	Greater efficiency in agency services or reduction in compliance burden.								
☐	Other								
METHOD OF CALCULATION	Commission annual financial data relating to the amount of Form 18 fines collected and the amount of revenue realized from photocopy requests. <i>Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.</i>								
REDUCTION OF FEES OR FINES	Form 18 fines assessed for failure to file by required deadline (S.C. Code Ann. 42-19-30). Fine revenue collected in FY2025 for failure to file Form 18s at \$200 per incident was \$421,750, a 15% decrease from the total revenue collected in FY24 (\$495,050), and a 32% decrease from the total revenue collected in FY23 (\$617,400). Associated claims department expenditures for FY2025 were \$2,252. <i>Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?</i>								
REDUCTION OF REGULATION	No regulations will be amended or deleted. <i>Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?</i>								
	The agency has updated the Information Technology Legacy System, which is the backbone of the agency's business processes for serving citizens and stakeholders. Changes have been implemented to eliminate the cost of producing paper copies of documents for our stakeholders. Parties to a case can also electronically view and download case documents. This has resulted in a total estimated cost savings of \$70,000 realized by our stakeholders since FY2022. Changes to the IT Legacy System have also allowed insurance carriers to submit biannual required reports (Form 18s) electronically rather than on paper forms through the US Postal Service. The change has resulted in a total estimated cost savings to our stakeholders of \$200,000 since FY2023. We expect Commission revenues from copy requests and Form 18 filings to continue to decrease over the next several fiscal years resulting in continued savings to the businesses and citizens we serve.								

SUMMARY

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