

# REVENUE AND REGULATION

## 02 REVENUE AND REGULATION

### MISSION:

To provide the revenue necessary for the support of state and local government programs through the fair and consistent application of the tax laws and through a comprehensive program of education that explains the responsibilities and rights of taxpayers; to operate the state lottery established in SDCL 42-7A in a secure, efficient, and profitable manner; to provide for the safety and well-being of consumers and the general public by regulating the banking, securities, insurance, gaming, and racing industries; to protect the interests of the public when engaged in a real estate transaction; to promote ethical standards for abstracters; and, to assist in cleanup of petroleum spills.

LEGAL CITATION: SDCL 10-1 through 10-53, except 10-44; SDCL 34A-13-14, 36-13, 36-21A, 42-7A, 42-7B-6, 51A-2; 58-2-1; 58-4A- 58-28-31; and, Executive Reorganization Order #2003-1.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 894,666	\$ 976,125	\$ 1,107,244	\$ 1,294,844	\$ 1,325,628	\$ 218,384
Federal Funds	52,990	0	0	546,000	546,000	546,000
Other Funds	64,404,534	63,528,680	53,657,343	56,698,843	57,052,898	3,395,555
<b>Total</b>	<b>\$ 65,352,190</b>	<b>\$ 64,504,805</b>	<b>\$ 54,764,587</b>	<b>\$ 58,539,687</b>	<b>\$ 58,924,526</b>	<b>\$ 4,159,939</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 13,799,968	\$ 14,581,641	\$ 16,458,391	\$ 16,903,878	\$ 17,302,577	\$ 844,186
Operating Expenses	51,552,222	49,923,164	38,306,196	41,635,809	41,621,949	3,315,753
<b>Total</b>	<b>\$ 65,352,190</b>	<b>\$ 64,504,805</b>	<b>\$ 54,764,587</b>	<b>\$ 58,539,687</b>	<b>\$ 58,924,526</b>	<b>\$ 4,159,939</b>
Staffing Level FTE:	298.1	301.0	322.1	328.6	326.1	4.0

# REVENUE AND REGULATION

## 0210 Secretariat

### MISSION:

To provide the revenue necessary for the support of state and local government programs through the fair and consistent application of the tax laws and through a comprehensive program of education that explains the responsibilities and rights of the taxpayers; to establish and implement policy decisions that affect the management of the department; to ensure the department's fiscal responsibility by utilizing all appropriate monies in an efficient and accountable manner; to account for and distribute revenues according to SDCL; to maximize automated systems, while minimizing administrative costs; to provide research and technology assistance, and collection services to the department; to provide legal assistance to the department; to actively investigate and prosecute violations of the criminal statutes of the revenue code; and, to protect the public by ensuring quality appraisals of real estate in South Dakota through adoption and enforcement of licensing standards for real estate appraisers.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 154,208	\$ 150,348	\$ 161,001	\$ 161,001	\$ 164,225	\$ 3,224
Federal Funds	0	0	0	0	0	0
Other Funds	3,805,864	3,802,486	3,543,993	3,543,993	3,614,793	70,800
<b>Total</b>	<b>\$ 3,960,072</b>	<b>\$ 3,952,834</b>	<b>\$ 3,704,994</b>	<b>\$ 3,704,994</b>	<b>\$ 3,779,018</b>	<b>\$ 74,024</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,993,448	\$ 2,159,880	\$ 2,198,977	\$ 2,198,977	\$ 2,273,001	\$ 74,024
Operating Expenses	1,966,624	1,792,954	1,506,017	1,506,017	1,506,017	0
<b>Total</b>	<b>\$ 3,960,072</b>	<b>\$ 3,952,834</b>	<b>\$ 3,704,994</b>	<b>\$ 3,704,994</b>	<b>\$ 3,779,018</b>	<b>\$ 74,024</b>
Staffing Level FTE:	39.8	39.9	39.0	39.0	39.0	0.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Internet and Phone Filing Collections	434,715,213	507,779,452	550,000,000	595,000,000
Remittance Center Collections:				
Department Collections	803,501,475	795,688,698	790,000,000	785,000,000
Other State Agency Collections	109,982,180	103,222,974	103,000,000	103,000,000
Appraiser Certification:				
New Application Fees	12,365	105,900	10,590	10,590
Renewal Fees	78,605	80,535	80,535	80,535
Investment Council Interest	4,589	5,241	5,241	5,241
Reciprocity Fees	5,875	6,500	6,500	6,500
Temporary Fees	9,900	11,400	11,400	11,400
Upgrade Review Fees	2,300	1,725	1,725	1,725
Penalty/Discipline Fees	3,100	3,300	3,300	3,300
Course Fees	7,900	5,750	5,750	5,750
Penalty/Renewals	1,175	925	925	925
<b>Total</b>	<b>1,348,324,677</b>	<b>1,406,912,400</b>	<b>1,443,125,966</b>	<b>1,483,125,966</b>

### PERFORMANCE INDICATORS

<b>Collections:</b>				
Centralized Collections	\$7,536,146	\$8,650,471	\$8,750,000	\$8,750,000
Department Cases Opened	352	568	550	550
ISB Investigations	55	128	100	100
Department Documents Processed	482,681	478,180	476,000	475,000
Other Department Documents Processed	51,772	54,020	54,000	54,000
E-Newsletters	58,291	62,854	65,000	65,000
Tri-State Sales Tax Seminars	5/180	2/61	4/100	4/100
Appraisers--New/Renewed Licenses	33/361	17/360	17/360	17/360
Complaints Received (Appraisers)	17	8	8	8
Upgrade/New Application Reviews	19/0	20/2	20/2	20/2
Reciprocity/Temporary	8/66	20/76	20/76	20/76
Course Applications	158	115	115	115

# REVENUE AND REGULATION

## 0220 Business Tax

### MISSION:

To process sales, use, and contractors' excise tax payments; to ensure compliance with sales and use tax and contractor's excise tax laws through the efficient utilization of personnel; to administer municipal and tribal sales and use taxes, along with municipal excise tax enacted pursuant to SDCL 10-52; to maintain an efficient and reconcilable sales and excise tax accounts receivable system; and, to promote sales tax equity on a national basis through simplification of sales tax laws and administration.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	3,195,213	3,247,198	3,501,656	3,501,656	3,585,242	83,586
<b>Total</b>	<b>\$ 3,195,213</b>	<b>\$ 3,247,198</b>	<b>\$ 3,501,656</b>	<b>\$ 3,501,656</b>	<b>\$ 3,585,242</b>	<b>\$ 83,586</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 2,175,307	\$ 2,216,849	\$ 2,439,986	\$ 2,439,986	\$ 2,523,572	\$ 83,586
Operating Expenses	1,019,906	1,030,349	1,061,670	1,061,670	1,061,670	0
<b>Total</b>	<b>\$ 3,195,213</b>	<b>\$ 3,247,198</b>	<b>\$ 3,501,656</b>	<b>\$ 3,501,656</b>	<b>\$ 3,585,242</b>	<b>\$ 83,586</b>
<b>Staffing Level FTE:</b>	<b>48.5</b>	<b>48.4</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>0.0</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Other Agency Collections	6,721,661	7,576,372	7,750,000	7,750,000
Collections:				
State Sales Tax	585,038,828	612,427,671	630,000,000	650,000,000
Excise Tax	75,103,983	78,790,924	80,000,000	80,000,000
Telecom Excise Tax	8,794,716	9,999,433	10,000,000	10,000,000
City/Reservation Taxes	246,800,157	261,016,830	266,900,000	269,000,000
Reserved for Construction Project Refunds	3,503,025	11,526,124	12,000,000	12,000,000
<b>Total</b>	<b>925,962,370</b>	<b>981,337,354</b>	<b>1,006,650,000</b>	<b>1,028,750,000</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>PERFORMANCE INDICATORS</b>				
Cities/Tribes with Sales/Use Tax	218	221	230	240
Total Active Licenses	70,685	72,315	73,540	75,000
Delinquent/Out-of-Balance Notices	141,290	145,198	142,000	141,000
Licensee Reviews *	1,126	804	900	1,100
Balance of Active Accounts Receivable (July 1)	\$2,815,225	\$3,830,933	\$3,500,000	\$3,200,000
Total Returns Processed	426,415	416,223	412,485	408,500
Internet and Phone Returns	60,680	78,262	89,500	92,900
Returns Out of Balance	115,625	121,875	115,000	112,000
800 Phone Bank Calls	41,940	40,000	41,000	41,000

\* Licensee reviews are an information interview with sales and contractor's excise licensees where the Tax Program representative explains how the applicable tax applies to that specific type of business. These reviews are not a detailed audit conducted on a business, but rather are targeted at 90% of the businesses that would not normally receive specific attention because of a delinquency, or an audit.

# REVENUE AND REGULATION

## 0230 Motor Vehicles

### MISSION:

To ensure that motor fuel, special fuel, interstate fuel, and 3% excise tax are properly assessed and collected in accordance with Chapters 10-47B, 32-5B and 32-3A; to ensure that proper motor vehicle and boat ownership documents are submitted on a timely basis so ownership transfer and title issuance can be accomplished pursuant to Chapter 32-3 and 32-3A; to ensure dealers are licensed and operating in accordance with 32-6B, 6C, 6D, 6E 32-7A and 32-7B; to ensure that all prorate, commercial, and noncommercial vehicles are properly licensed and that all license fees have been remitted properly pursuant to 32-3, 32-5, 32-9, and 32-10; to assure proper collection of the 3% excise tax on all vehicles titled and registered in this state; to maintain proper records of collection and refund of tax on applications; to process all boat and motor vehicle registrations and certificates of title within five days of receipt; to maintain proper records through the automation of the system; to ensure prompt service on inquiries from the general public, law enforcement, financial institutions, and other government agencies; to provide for inspections of all motor vehicle, motorcycle, trailer, mobile home, boat and snowmobile dealers licensed in South Dakota; to detect any violations of South Dakota Code that apply to dealers and to affect lawful compliance with dealer laws and regulations; to approve or deny the issuance of dealer licenses to initial applicants; to ensure the collection of motor fuel taxes and commercial licensing fees in accordance with South Dakota laws; to collect and disburse taxes and fees in accordance with the International Registration Plan (IRP) and the International Fuel Tax Agreement (IFTA); to collect Unified Carrier Registration (UCR) fees and distribute to members of UCR; to collect petroleum release compensation (tank inspection) fees; to issue ethanol production payments; and, to issue refunds or grant an exemption from the 3% motor vehicle excise tax to tribal members who reside on land controlled by their tribe, track and account for dollars collected for the tribes based upon tribal agreements.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	52,990	0	0	546,000	546,000	546,000
Other Funds	7,492,072	5,827,469	5,916,926	6,448,426	6,514,107	597,181
<b>Total</b>	<b>\$ 7,545,061</b>	<b>\$ 5,827,469</b>	<b>\$ 5,916,926</b>	<b>\$ 6,994,426</b>	<b>\$ 7,060,107</b>	<b>\$ 1,143,181</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,639,444	\$ 1,709,797	\$ 1,905,638	\$ 1,905,638	\$ 1,971,319	\$ 65,681
Operating Expenses	5,905,617	4,117,672	4,011,288	5,088,788	5,088,788	1,077,500
<b>Total</b>	<b>\$ 7,545,061</b>	<b>\$ 5,827,469</b>	<b>\$ 5,916,926</b>	<b>\$ 6,994,426</b>	<b>\$ 7,060,107</b>	<b>\$ 1,143,181</b>
<b>Staffing Level FTE:</b>	<b>45.5</b>	<b>45.7</b>	<b>48.1</b>	<b>48.1</b>	<b>48.1</b>	<b>0.0</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Motor Vehicle Fees	87,627,908	89,651,986	90,500,000	91,500,000
Motor Vehicle Commercial Fees	12,919,553	14,207,032	14,250,000	14,250,000
Motor Fuel Taxes	141,048,510	138,737,571	139,000,000	139,000,000
<b>Total</b>	<b>241,595,971</b>	<b>242,596,589</b>	<b>243,750,000</b>	<b>244,750,000</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>PERFORMANCE INDICATORS</b>				
Certificates of Title Issued/Processing (Days)	368,770/10	370,816/10	371,000/10	371,500/10
Personal/Dealer License Plates Renewed	12,287/3,245	11,352/3,216	11,000/3,200	11,000/3,200
Vehicles Registered	1,135,960	1,129,972	1,129,900	1,129,000
Licensed Vehicle Dealers	1,308	1,770	1,770	1,770
IFTA Licenses	2,831	2,847	2,847	2,847
Suppliers/Out-of-State Suppliers	52	56	56	56
Importer/Exporter/Blender	294	308	308	308
Highway Contractors/Marketers	519/1,339	541/1,358	541/1,358	541/1,358
Gas Tax Refunds Processed	5,391	4,942	4,942	4,942
Power Units Prorated Under IRP	9,217	9,683	9,683	9,683
Prorate Trailer ID Plates Issued	1,156	789	789	789
Commercial Tonnage Stickers Sold	39,217	39,422	39,422	39,422
30-Day Commercial Permits Sold	4,842	3,600	3,600	3,600
Harvest Permits Sold	1,329	811	811	811

# REVENUE AND REGULATION

## 0240 Property and Special Taxes

### MISSION:

To provide supervision and guidance on all matters pertaining to the issuance of licenses, stamps, and permits, and the collection and disposition of alcohol and malt beverage taxes, cigarette excise tax, franchise tax, estate/estate tax, mineral tax, severance tax, alcohol beverage brand registration fees, coin-operated washer-dryer permit fees, trading stamps, conservation tax, amusement machine registration fees, gaming license fee and tax; to provide guidance and information to all eligible persons throughout the state who may qualify under the provisions of the Sales Tax Refund (10-45A) or Property Tax Refund (10-18A) for the elderly and disabled; and, to audit claims and issue proper tax refund payments to those qualifying within the time prescribed by law.

To exercise general supervision over the administration of the property assessment and tax laws of the state and all assessing officers in the performance of their duties. Provide documentary assessment to sales ratios as indications of the level of assessment in each county for use in equalizing assessments, distribution of state aid to education and determination of county compliance with assessment standards. Provide technical assistance and guidance in the assessment of all classes of property and assist agricultural land evaluation using modern detailed soil surveys. Determine the market value of the companies required to be centrally assessed, calculate gross receipts and taxes payable.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 740,458	\$ 825,777	\$ 946,243	\$ 946,243	\$ 969,080	\$ 22,837
Federal Funds	0	0	0	0	0	0
Other Funds	0	0	0	0	0	0
<b>Total</b>	<b>\$ 740,458</b>	<b>\$ 825,777</b>	<b>\$ 946,243</b>	<b>\$ 946,243</b>	<b>\$ 969,080</b>	<b>\$ 22,837</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 581,770	\$ 669,380	\$ 752,751	\$ 752,751	\$ 775,588	\$ 22,837
Operating Expenses	158,687	156,397	193,492	193,492	193,492	0
<b>Total</b>	<b>\$ 740,458</b>	<b>\$ 825,777</b>	<b>\$ 946,243</b>	<b>\$ 946,243</b>	<b>\$ 969,080</b>	<b>\$ 22,837</b>
Staffing Level FTE:	11.6	12.8	14.0	14.0	14.0	0.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Collections:				
Special Taxes - State Funds	82,390,418	111,641,652	120,000,000	120,000,000
Special Taxes - Local Governments	26,812,114	31,142,478	30,000,000	30,000,000
<b>Total</b>	<b>109,202,532</b>	<b>142,784,130</b>	<b>150,000,000</b>	<b>150,000,000</b>
<b>PERFORMANCE INDICATORS</b>				
Tax Refund Applications Received	3,514	3,259	3,000	2,750
Applications Refunded/Denied	3,251/263	3,057/202	2,775/255	2,400/350
Tax Refunded	\$659,520	\$624,468	\$600,000	\$550,000
Bank Franchise Tax Performance Indicators:				
Bank Franchise Returns	785	886	900	900
Bank Franchise Qtr Reports Filed	743	518	600	600
Tobacco Performance Indicators:				
Cigarette Wholesaler and Distributor Licenses	61	59	75	75
Cigarette Retailers Registered	N/A	N/A	2,400	3,000
Cigarette Stamps	49,466,462	42,705,784	40,000,000	40,000,000
Other Tobacco Products Reports Filed	816	828	900	900
Retail Compliance Checks	368	592	600	600
Cigarette Seizures	N/A	725 packs	800 packs	800 packs
Alcohol Performance Indicators:				
Liquor and Beer Licenses	5,563	5,613	5,600	5,600
Alcohol Related Phone Calls Received	4,223	4,395	4,300	4,300
Property Tax Performance Indicators:				
Assessors Certified/Attendance at Annual	196/140	161/131	160/145	160/140
Tax Increment Finance Districts	102	116	120	120
Levies Approved	3,640	3,640	3,640	3,640

# REVENUE AND REGULATION

## 0250 Audits

### MISSION:

To conduct audits of sales/use, contractor's excise, motor fuel, interstate fuel, prorate, franchise, severance, and estate/estate taxes to ensure compliance and increase revenues; and, to provide on-site taxpayer education as a component of the audit function.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 187,600	\$ 192,323	\$ 192,323
Federal Funds	0	0	0	0	0	0
Other Funds	2,904,034	2,984,581	3,525,295	3,510,795	3,610,873	85,578
<b>Total</b>	<b>\$ 2,904,034</b>	<b>\$ 2,984,581</b>	<b>\$ 3,525,295</b>	<b>\$ 3,698,395</b>	<b>\$ 3,803,196</b>	<b>\$ 277,901</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 2,425,304	\$ 2,526,564	\$ 2,945,118	\$ 3,104,338	\$ 3,209,139	\$ 264,021
Operating Expenses	478,730	458,017	580,177	594,057	594,057	13,880
<b>Total</b>	<b>\$ 2,904,034</b>	<b>\$ 2,984,581</b>	<b>\$ 3,525,295</b>	<b>\$ 3,698,395</b>	<b>\$ 3,803,196</b>	<b>\$ 277,901</b>
Staffing Level FTE:	49.0	49.2	56.0	58.0	58.0	2.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
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### PERFORMANCE INDICATORS

#### Assessments/Audits:

Sales & Use/Excise	\$17,075,769/1,294	\$18,958,713/1,295	\$15,725,000/1,300	\$17,250,000/1,450
IFTA, Motor Fuel, Prorate	\$1,117,284/307	\$395,591/329	\$600,000/340	\$700,000/350
Combined Sales Tax/Fuel Tax	\$18,193,053/1,601	\$19,354,304/1,624	\$16,325,000/1,640	\$17,950,000/1,800
Bank Franchise/Severance Tax	\$61,912/268	\$111,269/391		\$750,000/20
Inheritance Tax	\$1,038/92	\$3,017/45	1)	
Tobacco Compliance	\$193,358/498	\$45,247/19	1)	
Total Assessments	\$18,449,361	\$19,513,837	\$16,325,000	\$17,950,000
Total Audits Performed	2,459	2,079	1,640	1,820

Audit assessments and audit number estimates have been based on the level of experience of the audit staff. The audit staff consists of 39 Sales, Use, and Excise Tax auditors, six (6) Fuel Tax auditors and four (4) audit managers. Currently 78% of the audit staff, or 32 auditors are at the senior auditor level. The level of experience has a direct effect on the number and types of audits that can be completed. Auditors reach Senior Auditor status after four years and at that time are capable of completing large complex audits, with the potential for larger assessments.

1) The auditor conducting audits for Inheritance Tax and tobacco compliance has located in the Property and Special Taxes Division. This compliance activity will be included with the performance indicators for that division.

# REVENUE AND REGULATION

## 026 Financial Services

### MISSION:

To protect consumers and the general public by regulating the banking, securities, and insurance industries through public education, examinations, review of documents, licensing of industry participants, identifying and addressing risks, investigating complaints, investigating alleged fraudulent activities, taking administrative or criminal action when necessary, and cooperating with other state and regulatory agencies, and to collect fees and insurance company tax.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	3,137,514	3,415,339	4,393,874	4,469,840	4,397,452	3,578
<b>Total</b>	<b>\$ 3,137,514</b>	<b>\$ 3,415,339</b>	<b>\$ 4,393,874</b>	<b>\$ 4,469,840</b>	<b>\$ 4,397,452</b>	<b>\$ 3,578</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 2,500,121	\$ 2,679,117	\$ 3,122,345	\$ 3,366,159	\$ 3,307,631	\$ 185,286
Operating Expenses	637,392	736,222	1,271,529	1,103,681	1,089,821	( 181,708 )
<b>Total</b>	<b>\$ 3,137,514</b>	<b>\$ 3,415,339</b>	<b>\$ 4,393,874</b>	<b>\$ 4,469,840</b>	<b>\$ 4,397,452</b>	<b>\$ 3,578</b>
<b>Staffing Level FTE:</b>	<b>50.0</b>	<b>51.4</b>	<b>57.0</b>	<b>60.5</b>	<b>58.0</b>	<b>1.0</b>

# REVENUE AND REGULATION

## 0261 Banking

### MISSION:

To provide the citizens of South Dakota with sound state-chartered and licensed financial institutions by: providing for and encouraging the development of depository financial institutions while restricting their activities to the extent necessary to safeguard the interest of depositors; seeking to ensure compliance by both depository and non-depository financial institutions with governing laws and regulations. The Division is further committed to promote a balanced and sensible approach to regulation that protects the public interest and supports economic growth.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	1,075,036	1,294,229	1,913,998	1,989,964	1,850,516	( 63,482 )
<b>Total</b>	<b>\$ 1,075,036</b>	<b>\$ 1,294,229</b>	<b>\$ 1,913,998</b>	<b>\$ 1,989,964</b>	<b>\$ 1,850,516</b>	<b>(\$ 63,482)</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 805,968	\$ 982,644	\$ 1,164,009	\$ 1,407,823	\$ 1,282,235	\$ 118,226
Operating Expenses	269,067	311,586	749,989	582,141	568,281	( 181,708 )
<b>Total</b>	<b>\$ 1,075,036</b>	<b>\$ 1,294,229</b>	<b>\$ 1,913,998</b>	<b>\$ 1,989,964</b>	<b>\$ 1,850,516</b>	<b>(\$ 63,482)</b>
<b>Staffing Level FTE:</b>	<b>14.2</b>	<b>16.4</b>	<b>19.5</b>	<b>23.0</b>	<b>20.5</b>	<b>1.0</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Banking Revolving Fund:				
Bank Examination Fee	975,137	562,143	781,100	829,200
Trust Company Examination Fee	6,099	49,109	50,000	75,000
Money Lenders Renewal and Applications	253,050	212,250	210,000	210,000
Other License Fees	391,670	97,417		
Money Order Renewal and Application			15,000	15,000
Mortgage Lender Renewal and Application			168,750	168,750
Mortgage Broker Renewal and Application			120,000	112,500
Mortgage Loan Originator Renewal and			225,000	150,000
Trust Company Supervision Fee (1)	64,571	80,868	90,000	95,000
Investment Council Interest	1,796	12,359	15,000	15,000
Miscellaneous	202,002	38,748	30,000	30,000
Trust Company Charter Fees (General Fund)		35,000	25,000	25,000
<b>Total</b>	<b>1,894,325</b>	<b>1,087,894</b>	<b>1,729,850</b>	<b>1,725,450</b>

(1) Trust Company Serpersision Fee based on 5% growth in existing company assets only.

### PERFORMANCE INDICATORS

<b>Action on Applications:</b>				
New Bank/Trust Company Charters	0	0/7	1/5	1/5
Branches/Changes of Location or Control	10/1	10/0	10/1	10/1
Mergers/Denied Branch Banks	1/0	7/0	2/0	3/0
Interstate Banking and Branching	1	4	2	3
Mobile Banking Services	0	1	2	2
Loan Production Offices	0	1	1	1
<b>Institutions Examined:</b>				
Money Lenders (self examination)	284	324	300	290
Money Lenders (on-site)	1	15	50	60
Banks (1)	26*	30*	35	35
Trust Companies	6	7	10	15
Mortgage Lenders (self examination)	292	N/A	325	325
Mortgage Brokers (self examination)	N/A	N/A	300	300
Mortgage Loan Originators (self examination)	N/A	N/A	N/A	1,750
<b>Licenses Issued or Renewed:</b>				
Money Lenders/Money Orders	320/21	370/27	350/25	350/25
Mortgage Lenders/Brokers	363/209	70/90	325/300	325/300
Mortgage Loan Originator	N/A	N/A	1,500	1,750
<b>Charters Cancelled:</b>				



	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>PERFORMANCE INDICATORS</b>				
Banks and Bank Branches	3	1	2	2
Asset Size of Institutions Supervised:				
Total Assets-Banks (as of Fiscal Year-end)	\$13,225,732,000	\$16,418,043,000	\$17,074,764,720	\$17,757,755,309
Managed Assets - Trust Companies & Trust Departments (as of FY Midpoint)	\$34,669,887,000	\$39,388,934,000	\$57,803,730,000	\$60,757,330,000

(1) Includes safety and soundness, IS, Trust department and BAS/USA Patriot Act examinations.

(2) Bank assets projected to grow by 4% annually.

# REVENUE AND REGULATION

## 0262 Securities

### MISSION:

To examine securities products, franchise offering circulars, and business opportunities plans; to register, renew, exempt, or amend securities and franchise documents; to license investment advisers, investment adviser agents, broker dealers and securities agents; to investigate and resolve all complaints; to investigate all alleged fraudulent schemes and take appropriate administrative action or recommend civil or criminal action, or both; to cooperate and coordinate with other state, local, or federal agencies; and, to inform and educate the investing public about franchise and securities purchases.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	319,604	351,128	379,355	379,355	389,949	10,594
<b>Total</b>	<b>\$ 319,604</b>	<b>\$ 351,128</b>	<b>\$ 379,355</b>	<b>\$ 379,355</b>	<b>\$ 389,949</b>	<b>\$ 10,594</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 276,656	\$ 297,510	\$ 309,752	\$ 309,752	\$ 320,346	\$ 10,594
Operating Expenses	42,948	53,618	69,603	69,603	69,603	0
<b>Total</b>	<b>\$ 319,604</b>	<b>\$ 351,128</b>	<b>\$ 379,355</b>	<b>\$ 379,355</b>	<b>\$ 389,949</b>	<b>\$ 10,594</b>
Staffing Level FTE:	5.0	5.0	5.0	5.0	5.0	0.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
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### REVENUES

Deposited to Securities Operating Fund:

Securities Registration Fees	66,184	69,477	66,000	60,000
Franchise Registration Fees	155,600	155,650	165,000	155,000
Franchise Exemption Fees	12,750	14,750		
Business Opportunities Registration Fees	300	600	300	300
Securities Opinion Fees	100	275	200	200
Investment Company Notification Fees	16,001,800	17,166,375	16,000,000	17,000,000
Agent Licensing Fees	8,383,750	9,337,525	8,000,000	9,000,000
Broker-Dealer Licensing Fees	205,950	210,450	205,000	210,000
Investment Adviser Fees	4,200	4,300	4,500	4,500
Investment Adviser Agent Fees	56,100	65,250	56,000	65,000
I/A Notice Filings	131,200	133,200	130,000	130,000
Miscellaneous	3,445	4,100	7,000	4,000
Investment Council Interest	113,206	85,952	150,000	85,000
Private Placement/Reg. D506/Other	93,750	102,325	93,000	93,000
Fines	306,351	221,850	60,000	60,000
<b>Total</b>	<b>25,534,686</b>	<b>27,572,079</b>	<b>24,937,000</b>	<b>26,867,000</b>

### PERFORMANCE INDICATORS

New Securities Applications	97	105	71	100
Extensions and Amendments	62	54	50	50
Private Placement/Other Exemptions	1/378	1/408	1/270	1/400
Invest. Comp. Notice Filings--New/Total	2,757/17,863	3,258/19,157	2,300/16,000	3,000/19,000
New Franchise Applications/Registrations	274/735	247/774	220/650	250/780
Franchise Extensions/Exemptions	482/50	692/60	446/54	700/0
Business Opportunities--New/Total	1/2	1/4	7/5	1/4
Brokers-Dealers/B-D Agents Licensed	1,314/53,765	1,335/59,204	1,300/59,000	1,330/59,000
Investment Advisers/IA Agents Licensed	40/631	35/811	40/470	40/850
Transfers to General Fund (SDCL 4-4-4.4)	\$24,995,952	\$27,190,002	\$24,503,000	\$26,450,000

# REVENUE AND REGULATION

## 0263 Insurance

### MISSION:

To review insurance company forms and rates for compliance with the law; to regulate insurance sales practices by investigating all inquiries and complaints; to license insurance producers and corporations; to issue and renew agent appointments; to register utilization review organizations; to approve and monitor managed care plans and utilization review organizations' compliance with grievance procedures; to examine domestic insurance companies and foreign insurance companies doing business in South Dakota; to assist consumers in recovering disputed claims and premium refunds; to issue interpretive opinions on the state's insurance laws; to administer the collection and auditing of premium taxes and fees; to administer the state insurance agent continuing education program; to administer the subsequent injury fund; and, to administer the Insurance Fraud Prevention Unit.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	1,540,990	1,564,967	1,787,058	1,787,058	1,835,791	48,733
<b>Total</b>	<b>\$ 1,540,990</b>	<b>\$ 1,564,967</b>	<b>\$ 1,787,058</b>	<b>\$ 1,787,058</b>	<b>\$ 1,835,791</b>	<b>\$ 48,733</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,283,108	\$ 1,258,804	\$ 1,421,893	\$ 1,421,893	\$ 1,470,626	\$ 48,733
Operating Expenses	257,881	306,162	365,165	365,165	365,165	0
<b>Total</b>	<b>\$ 1,540,990</b>	<b>\$ 1,564,967</b>	<b>\$ 1,787,058</b>	<b>\$ 1,787,058</b>	<b>\$ 1,835,791</b>	<b>\$ 48,733</b>
Staffing Level FTE:	27.8	27.0	28.5	28.5	28.5	0.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Taxes Collected (General Fund)	55,298,267	56,896,704	58,500,000	59,750,000
Fees (Insurance Operating Fund):				
Admission	99,402	70,010	70,000	70,000
Company Renewal	83,770	89,345	90,000	90,000
Agent Licensing/Renewal	1,995,280	7,273,884	4,000,000	4,000,000
Exam Fees	13,210	13,240	13,500	13,500
Miscellaneous and Legal	19,636	29,708	20,000	20,000
Retaliatory/Filing	945,915	631,451	630,000	630,000
Administrative Penalties	51,978	23,860	25,000	25,000
Lists and Labels	6,140	5,020	5,000	5,000
Certification Letters	11,920	6,025	6,000	6,000
Investment Council Interest	21,418	12,578	12,500	12,500
Course Approval	23,875	22,750	23,000	23,000
Subsequent Injury Fund:				
Sub-Injury Fund Assessment	7,928,214	5,311,871	5,200,000	4,700,000
Investment Council Interest	31,660	32,591	31,000	31,000
Continuing Education Fund:				
Agent Renewal Fees (Biennial renewal)	87,776	20	88,000	500
Investment Council Interest	1,530		1,000	
Special Collections for Workers Comp				
Policy Fee (Transferred to Dept. of Labor)	265,434	263,179	262,000	262,000
Examination Fund (Effective 7-1-97)	837,900	418,200	425,000	425,000
Investment Council Interest	8,637	6,258	6,200	6,200
<b>Total</b>	<b>67,731,962</b>	<b>71,106,694</b>	<b>69,408,200</b>	<b>70,069,700</b>

### PERFORMANCE INDICATORS

Total Licensed/Domestic Companies	1,424/45	1,423/45	1,420/45	1,420/45
Companies Licensed/Approved Mergers	43	50	55	60
Agent Licenses Issued	18,823	13,518	17,000	18,000
Transfer to General Fund (SDCL 4-4-4.4)	\$1,302,746	\$6,145,864	\$3,300,000	\$3,300,000

# REVENUE AND REGULATION

## 0264 Insurance Fraud Unit - Info

### MISSION:

To confront the problem of insurance fraud in the state of South Dakota by prevention, investigation, and prosecution of fraudulent insurance acts.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	201,884	205,015	313,463	313,463	321,196	7,733
<b>Total</b>	<b>\$ 201,884</b>	<b>\$ 205,015</b>	<b>\$ 313,463</b>	<b>\$ 313,463</b>	<b>\$ 321,196</b>	<b>\$ 7,733</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 134,388	\$ 140,160	\$ 226,691	\$ 226,691	\$ 234,424	\$ 7,733
Operating Expenses	67,496	64,855	86,772	86,772	86,772	0
<b>Total</b>	<b>\$ 201,884</b>	<b>\$ 205,015</b>	<b>\$ 313,463</b>	<b>\$ 313,463</b>	<b>\$ 321,196</b>	<b>\$ 7,733</b>
Staffing Level FTE:	3.0	3.0	4.0	4.0	4.0	0.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Company Assessments	346,250	3,305,000	20,000	345,000
Civil Penalties	1,120		1,000	1,000
Investment Council Interest	5,803	8,919	3,500	8,500
<b>Total</b>	<b>353,173</b>	<b>3,313,919</b>	<b>24,500</b>	<b>354,500</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>PERFORMANCE INDICATORS</b>				
Educational Programs	15	10	15	15
New Fraud Cases	96	99	100	100
Cases Closed--Unfounded	85	70	70	70
Criminal Convictions	6	4	6	6
Civil Convictions			2	2

# REVENUE AND REGULATION

## 0271 Petroleum Release Compensation

### MISSION:

To assist in the cleanup of certain petroleum releases; to investigate reported releases; to determine the amount of reimbursement due to responsible parties for corrective actions they have taken; to provide a financial assurance mechanism that will comply with the federal and state financial responsibility requirements for regulated petroleum tank owners; to report to the Governor and legislature; to administer the Abandoned Tank Removal Program; and, to make payments for tank pulling and corrective action at abandoned sites.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	331,869	336,106	439,184	439,184	449,909	10,725
<b>Total</b>	<b>\$ 331,869</b>	<b>\$ 336,106</b>	<b>\$ 439,184</b>	<b>\$ 439,184</b>	<b>\$ 449,909</b>	<b>\$ 10,725</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 257,891	\$ 283,873	\$ 316,131	\$ 316,131	\$ 326,856	\$ 10,725
Operating Expenses	73,978	52,233	123,053	123,053	123,053	0
<b>Total</b>	<b>\$ 331,869</b>	<b>\$ 336,106</b>	<b>\$ 439,184</b>	<b>\$ 439,184</b>	<b>\$ 449,909</b>	<b>\$ 10,725</b>
<b>Staffing Level FTE:</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Refund Prior Year's Expenditure Deposited to Petroleum Release Comp Fund:	50,000	85,220		
Petroleum Tank Inspection Fee	1,646,000	1,582,386	1,580,000	1,580,000
Interest	160,977	170,787	140,000	140,000
<b>Total</b>	<b>1,856,977</b>	<b>1,838,393</b>	<b>1,720,000</b>	<b>1,720,000</b>

<b>PERFORMANCE INDICATORS</b>				
Petroleum Release Cases Initiated	29	22	30	30
Responsible Parties Reimbursed	169	148	175	175
Abandoned Tank Site Initiated	38	45	30	30
Claims Processed and Paid:				
Abandoned Tank Program	148	127	100	100
Regular Program	126	97	150	150
Public Presentations	6	5	6	6
Review Contracts and Corrective Action Plan	188	201	175	175
Board Meetings	3	2	4	4

# REVENUE AND REGULATION

## 0272 Petroleum Release Compensation - Info

### MISSION:

To assist in the cleanup of certain petroleum releases; to investigate reported releases; to determine the amount of reimbursement due to responsible parties for corrective actions they have taken; to provide a financial assurance mechanism that will comply with the federal and state financial responsibility requirements for regulated petroleum tank owners; to report to the Governor and legislature; to administer the Abandoned Tank Removal Program; and, to make payments for tank pulling and corrective action at abandoned sites.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	1,079,126	1,360,340	2,100,000	2,100,000	2,100,000	0
<b>Total</b>	<b>\$ 1,079,126</b>	<b>\$ 1,360,340</b>	<b>\$ 2,100,000</b>	<b>\$ 2,100,000</b>	<b>\$ 2,100,000</b>	<b>\$ 0</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating Expenses	1,079,126	1,360,340	2,100,000	2,100,000	2,100,000	0
<b>Total</b>	<b>\$ 1,079,126</b>	<b>\$ 1,360,340</b>	<b>\$ 2,100,000</b>	<b>\$ 2,100,000</b>	<b>\$ 2,100,000</b>	<b>\$ 0</b>
Staffing Level FTE:	0.0	0.0	0.0	0.0	0.0	0.0

# REVENUE AND REGULATION

## 028 Lottery

### MISSION:

To operate the state lottery established in SDCL 42-7A in a secure, efficient, and profitable manner; to plan and market instant and on-line lottery games; and, to regulate and control video lottery game activities so as to maximize revenues for the state.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	32,150,323	31,710,757	28,446,001	30,846,001	30,902,626	2,456,625
<b>Total</b>	<b>\$ 32,150,323</b>	<b>\$ 31,710,757</b>	<b>\$ 28,446,001</b>	<b>\$ 30,846,001</b>	<b>\$ 30,902,626</b>	<b>\$ 2,456,625</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 1,353,144	\$ 1,352,787	\$ 1,666,546	\$ 1,666,546	\$ 1,723,171	\$ 56,625
Operating Expenses	30,797,179	30,357,970	26,779,455	29,179,455	29,179,455	2,400,000
<b>Total</b>	<b>\$ 32,150,323</b>	<b>\$ 31,710,757</b>	<b>\$ 28,446,001</b>	<b>\$ 30,846,001</b>	<b>\$ 30,902,626</b>	<b>\$ 2,456,625</b>
Staffing Level FTE:	30.1	28.7	31.0	31.0	31.0	0.0

# REVENUE AND REGULATION

## 0281 Instant and On-line Operations - Info

### MISSION:

To operate the state lottery established in SDCL 42-7A in a secure and efficient manner in order to maximize revenue to the state through the sale of instant and on-line lottery games.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	30,344,349	29,985,057	26,368,174	26,368,174	26,407,703	39,529
<b>Total</b>	<b>\$ 30,344,349</b>	<b>\$ 29,985,057</b>	<b>\$ 26,368,174</b>	<b>\$ 26,368,174</b>	<b>\$ 26,407,703</b>	<b>\$ 39,529</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 908,749	\$ 959,737	\$ 1,163,022	\$ 1,163,022	\$ 1,202,551	\$ 39,529
Operating Expenses	29,435,600	29,025,320	25,205,152	25,205,152	25,205,152	0
<b>Total</b>	<b>\$ 30,344,349</b>	<b>\$ 29,985,057</b>	<b>\$ 26,368,174</b>	<b>\$ 26,368,174</b>	<b>\$ 26,407,703</b>	<b>\$ 39,529</b>
<b>Staffing Level FTE:</b>	<b>19.6</b>	<b>19.9</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>0.0</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Instant Proceeds--General Fund	3,568,429	4,419,476	4,500,000	4,500,000
On-Line Proceeds--General Fund	1,400,000	1,400,000	1,400,000	1,400,000
On-Line Proceeds--Capital Construction Fund	4,008,789	4,297,285	4,400,000	4,400,000
<b>Total</b>	<b>8,977,218</b>	<b>10,116,761</b>	<b>10,300,000</b>	<b>10,300,000</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>PERFORMANCE INDICATORS</b>				
Instant Games Introduced	26	25	25	25
On-Line Games Offered	4	4	5	5
Licensed Lottery Retailers--Instant	609	615	622	630
Licensed Lottery Retailers--On-Line	407	447	467	490
Prizes Paid to Players	\$21,968,918	\$22,424,464	\$22,895,000	\$22,895,000
Retailer Commissions Paid	\$2,218,190	\$2,177,000	\$2,274,000	\$2,274,000
Instant Games Total Sales	\$18,313,539	\$18,325,034	\$18,875,000	\$18,875,000
On-Line Games Total Sales	\$20,895,509	\$21,371,251	\$21,960,000	\$21,960,000



# REVENUE AND REGULATION

## 0282 Video Lottery

### MISSION:

To operate video lottery with the utmost security, integrity, and efficiency in maximizing revenues to the state.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	1,805,973	1,725,700	2,077,827	4,477,827	4,494,923	2,417,096
<b>Total</b>	<b>\$ 1,805,973</b>	<b>\$ 1,725,700</b>	<b>\$ 2,077,827</b>	<b>\$ 4,477,827</b>	<b>\$ 4,494,923</b>	<b>\$ 2,417,096</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 444,395	\$ 393,051	\$ 503,524	\$ 503,524	\$ 520,620	\$ 17,096
Operating Expenses	1,361,579	1,332,650	1,574,303	3,974,303	3,974,303	2,400,000
<b>Total</b>	<b>\$ 1,805,973</b>	<b>\$ 1,725,700</b>	<b>\$ 2,077,827</b>	<b>\$ 4,477,827</b>	<b>\$ 4,494,923</b>	<b>\$ 2,417,096</b>
<b>Staffing Level FTE:</b>	<b>10.5</b>	<b>8.8</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>0.0</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
License Fees to VL Operating Fund	1,158,000	1,191,803	1,200,000	1,200,000
Additional MFG. License Fee--General Fund	45,000	60,000	45,000	45,000
Video Lottery Proceeds--General Fund			500,000	
Video Lottery Proceeds--Property Tax Reduction Fund	109,451,209	110,419,656	110,971,754	111,526,613
Video Lottery Proceeds--VL Operating Fund	1,105,568	1,115,350	1,120,927	1,126,531
Miscellaneous Revenue	75,113	86,342	100,000	100,000
<b>Total</b>	<b>111,834,890</b>	<b>112,873,151</b>	<b>113,937,681</b>	<b>113,998,144</b>

<b>PERFORMANCE INDICATORS</b>				
Machines Placed (12-Month Avg.)	8,716	8,859	8,900	8,900
Licensed Establishments (12-Month Avg.)	1,463	1,477	1,480	1,480
Licensed Operators	163	160	165	165
Licensed Distributors	3	3	3	3
Licensed Manufacturers	3	3	3	3

# REVENUE AND REGULATION

## 0291 Real Estate Commission - Info

### MISSION:

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

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	443,763	484,694	456,418	456,418	465,138	8,720
<b>Total</b>	<b>\$ 443,763</b>	<b>\$ 484,694</b>	<b>\$ 456,418</b>	<b>\$ 456,418</b>	<b>\$ 465,138</b>	<b>\$ 8,720</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 205,788	\$ 225,185	\$ 256,753	\$ 256,753	\$ 265,473	\$ 8,720
Operating Expenses	237,974	259,508	199,665	199,665	199,665	0
<b>Total</b>	<b>\$ 443,763</b>	<b>\$ 484,694</b>	<b>\$ 456,418</b>	<b>\$ 456,418</b>	<b>\$ 465,138</b>	<b>\$ 8,720</b>
<b>Staffing Level FTE:</b>	<b>4.8</b>	<b>4.9</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Application Fees	107,031	109,137	92,580	92,580
New License Fees	29,648	26,944	16,200	16,200
Renewal Fees	279,208	181,720	300,750	180,000
Materials Sold	16,220	13,198	8,100	8,100
Interest Income	17,616	22,864	18,000	18,000
Changes of Address	8,070	9,765	7,500	7,500
Certificates of Licensure	2,595	2,925	2,200	2,200
Late Renewal Fees	6,235	5,230	6,500	5,000
Intrastate Sales and Services	720	720	720	720
Penalties Reimbursement of Investigations	36,874	10,814	9,000	9,000
Seminar Income	77,830	82,170	70,000	70,000
Miscellaneous	42	117	100	100
<b>Total</b>	<b>582,089</b>	<b>465,604</b>	<b>531,650</b>	<b>409,400</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>PERFORMANCE INDICATORS</b>				
Licenses Renewed/New Practitioners	2,341/540	1,510/499	2,330/350	1,920/350
Examinations:	4,515	4,931	4,600	4,600
Nationally Prepared (Times Given)	567	812	350	350
Applicants Examined/Passed	346/284	322/261	350/250	350/250
State Prepared (Times Given)	66	50	50	50
Applicants Examined/Passed	59/53	39/35	40/35	40/35
Applicants Reexamined/Passed	136/98	181/147	150/125	150/125
Complaints:				
Received/Investigated/Resolved	21/24/24	28/24/27	40/34/31	40/34/31
Hearings Held/Pending	12/10	13/13	17/16	17/16
Licensees Reprimanded/Probationed	2	2	10	10
Total Prosecutions			1	1
Audits	329	256	275	275

# REVENUE AND REGULATION

## 0292 Abstracters Bd of Examiners - Info

### MISSION:

To protect the citizens of South Dakota by promoting ethical standards for abstractors, and assuring the quality of land title evidencing through the licensing of land title professionals and the inspection of land title plants.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	18,796	16,822	21,521	24,471	24,882	3,361
<b>Total</b>	<b>\$ 18,796</b>	<b>\$ 16,822</b>	<b>\$ 21,521</b>	<b>\$ 24,471</b>	<b>\$ 24,882</b>	<b>\$ 3,361</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 14,016	\$ 14,536	\$ 14,971	\$ 14,971	\$ 15,382	\$ 411
Operating Expenses	4,780	2,286	6,550	9,500	9,500	2,950
<b>Total</b>	<b>\$ 18,796</b>	<b>\$ 16,822</b>	<b>\$ 21,521</b>	<b>\$ 24,471</b>	<b>\$ 24,882</b>	<b>\$ 3,361</b>
Staffing Level FTE:	0.0	0.0	0.0	0.0	0.0	0.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Examination Fees	550	730	730	730
Reexamination Fees	190	80	80	80
New License Fees		250	250	250
Renewal Fees		17,983	17,983	23,543
Interest Income	215	140	140	140
Plant Inspections	984	871	870	870
<b>Total</b>	<b>1,939</b>	<b>20,054</b>	<b>20,053</b>	<b>25,613</b>

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>PERFORMANCE INDICATORS</b>				
Licenses Renewed	0	67	67	67
New Licenses	0	2	3	3
Practitioners	155	158	160	170
Examinations:				
State Prepared (Times Given)	3	3	3	3
Applicants Examined	11	15	15	10
Applicants Reexamined	10	3	3	10
Complaints:				
Received/Investigated/Resolved	2/2/2	3/3/3	3/3/3	2/2/2
Hearings Held				
Miscellaneous:				
Inspections	3	2	2	3
Inquiries Received and Answered	8	15	15	10
Board Meetings Held	3	3	3	3

# REVENUE AND REGULATION

## 0293 Commission on Gaming - Info

### MISSION:

To regulate the gaming and racing industries within the state of South Dakota; to promulgate rules; to enforce such rules and statutes; and, to collect and distribute funds derived from these industries.

	ACTUAL FY 2006	ACTUAL FY 2007	BUDGETED FY 2008	REQUESTED FY 2009	GOVERNOR'S RECOMMENDED FY 2009	RECOMMENDED INC/(DEC) FY 2009
<b>FUNDING SOURCE:</b>						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	9,845,963	10,342,888	1,312,475	1,358,059	1,387,876	75,401
<b>Total</b>	<b>\$ 9,845,963</b>	<b>\$ 10,342,888</b>	<b>\$ 1,312,475</b>	<b>\$ 1,358,059</b>	<b>\$ 1,387,876</b>	<b>\$ 75,401</b>
<b>EXPENDITURE DETAIL:</b>						
Personal Services	\$ 653,734	\$ 743,672	\$ 839,175	\$ 881,628	\$ 911,445	\$ 72,270
Operating Expenses	9,192,229	9,599,216	473,300	476,431	476,431	3,131
<b>Total</b>	<b>\$ 9,845,963</b>	<b>\$ 10,342,888</b>	<b>\$ 1,312,475</b>	<b>\$ 1,358,059</b>	<b>\$ 1,387,876</b>	<b>\$ 75,401</b>
Staffing Level FTE:	13.8	15.1	16.0	17.0	17.0	1.0

	ACTUAL FY 2006	ACTUAL FY 2007	ESTIMATED FY 2008	ESTIMATED FY 2009
<b>REVENUES</b>				
Gaming Fund:				
Device Fee	6,262,000	7,184,000	7,254,000	7,254,000
Gross Revenue Tax	6,688,194	7,410,607	6,700,000	6,700,000
City Slot Tax	398,761	290,000	290,000	290,000
Application Fee	139,510	156,110	140,000	140,000
License Fee	97,300	103,800	100,000	100,000
Device Testing Fee	11,537	18,685	18,000	18,000
Penalties	7,000	430	5,000	5,000
Interest	47,263	52,555	50,000	50,000
Racing Revenues:				
Dogs:				
Commission	36,764	41,313	41,000	41,000
Licenses and Fines	6,870	6,610	6,500	6,500
Revolving Fund	36,764	41,313	41,000	41,000
Bred Fund	36,764	41,678	41,000	41,000
Horses:				
Commission	64,827	76,324	75,000	75,000
Licenses and Fines	16,200	31,427	31,000	31,000
Revolving Fund	54,083	65,030	65,000	65,000
Bred Fund	57,503	68,328	65,000	65,000
Interest	14,416	18,737	18,000	18,000
<b>Total</b>	<b>13,975,756</b>	<b>15,606,947</b>	<b>14,940,500</b>	<b>14,940,500</b>

### PERFORMANCE INDICATORS

Licenses Issued:				
Manufacturers/Distributors	12	11	11	11
Operators/Retailers	35/157	35/157	34/211	34/211
Support/Key Employees	1,543	1,547	1,500	1,500
Device Licenses	3,131	3,592	3,627	3,627
Gaming Distributions	\$12,478,791	\$13,889,263	\$10,864,000	\$10,864,000