



SouthDakota

Legislative
Research
Council

MINUTES
Executive Board

Representative Dean Wink, Chair
Senator Corey Brown, Vice Chair
Representative Spencer Hawley, Ranking Minority Member

Fifth Meeting
2015 Interim
August 24, 2015

Room 413
State Capitol Building
Pierre, South Dakota

The fifth meeting of the Executive Board for the 2015 Interim was called to order by **Senator Corey Brown** at 10:05 a.m. (CDT) in room 413 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senator Corey Brown, Vice Chair; Representatives Brian Gosch, Spencer Hawley, Roger Hunt, Timothy Johns, and Fred Romkema; Senators Gary Cammack, Phyllis Heineman, David Omdahl, Scott Parsley, Billie Sutton, and Jim White. Excused: Representatives Jim Bolin, Don Haggard, and Dean Wink.

Staff members present included Jason Hancock, Director; Sue Cichos, Deputy Director; Doug Decker, Code Counsel; Annie Mehlhaff, Chief Analyst for Fiscal; David Ortbahn, Chief Analyst for Research; and Cindy Tryon, Senior Secretary.

NOTE: For purpose of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents distributed at the meeting are attached to the original minutes on file in the Legislative Research Council office. This meeting was web cast live. The archived web cast is available at the LRC web site at <http://legis.sd.gov>.

Approval of Agenda

With consensus of the Board, Senator Brown approved the agenda as printed.

Approval of Minutes

REPRESENTATIVE GOSCH MOVED, SECONDED BY SENATOR HEINEMAN, TO APPROVE THE MINUTES OF THE JUNE 9, 2015, EXECUTIVE BOARD MEETING. The motion prevailed unanimously on a voice vote.

LRC Senior Staff Reports

Ms. Sue Cichos, Deputy Director, talked about the upgrades being completed during the interim. The carpet has been replaced in both chambers, the lobbies, and the galleries. Legislator desks and lockers have been cleaned and oiled. New bulletin boards located outside the House and Senate will be put up as time allows. Ms. Cichos also reported that the 2016 Page applications and information have been updated online and will be mailed to the schools and legislators within the next few weeks. LRC is also recruiting for a few vacancies within the session staff.

Ms. Annie Mehlhaff, Chief Analyst for Fiscal Research and Budget Analysis, listed the new assignments that have been given to each of the fiscal analysts. That list is available on the LRC website. These assignments organize the duties in a way that will be more efficient when the new budget system is in place.

Mr. Doug Decker, Code Counsel, reported that the evidence renumbering project continues; the renumbering will coordinate with a publication that will be printed by West Publishing and will be a resource for the members of the Bar.

Mr. David Ortbahn, Chief Analyst for Research and Legal Services, said that the research staff completed style and form reviews for seven initiated measures and seven constitutional amendment initiatives. The staff continues working with the interim committees, while preparing for the next Legislative session. Ms. Amanda Reiss, Senior Attorney, has returned from maternity leave, and the research division is back to full staff.

Mr. Jason Hancock, Director, said that the reconfiguration of office space in the LRC offices should begin sometime in September. The fiscal staff offices will move back to where the library is currently located. One-time critical resources for the Legislature, some library and research materials are seldom used because most of the information can be found online. Materials that still need to be accessed will be moved to a different location within legislative spaces. There are no plans at this time to change the atrium area located between the Appropriation Chairs' offices and LCR 1 & 2, since the end-of-session survey of legislators did not show any consensus for making changes to that space at this time.

SDPB Online Streaming Upgrade Proposal

Ms. Julie Overgaard, Executive Director, South Dakota Public Broadcasting, gave a PowerPoint presentation ([Document #1](#)), which covered the history of online streaming of legislative meetings. The idea for online streaming of legislative meetings was first discussed back in 1997.

Mr. Kent Osborne, Director of Education and Online Services, SDPB, continued the presentation pointing out that committee meetings and floor debates were webcast live via RealAudio beginning in 2000 with a few hundred viewers. In 2010, the transition from RealMedia to .mp3 improved citizens' ability to listen live or listen to recordings of the meetings found online. Currently, millions of users across the country access the PBS files created through the live streaming of committee meetings and floor debates.

Mr. SeVern Ashes, Director of Engineering and Operations, SDPB, said that PBS was working with NCH (software vendor) and in mid-2015 NCH said they could no longer support the current system. PBS worked with a company called Trivium in solving this issue and as the contract was being drawn up for signatures, Trivium pulled out of the deal. After careful research and study, a proposal from Haivision was determined the best option ([Document #2](#)). Haivision has the ability to work with the fluid schedule of the legislative session.

Ms. Overgaard said that this is a good project and that SDPB is willing to split the one-time development cost of \$80,000 with the LRC. The additional costs would be prorated and proposed that LRC would pay for the cost to the LRC rooms. Ms. Overgaard said they do realize that other agencies also use these rooms and they are requesting PUC to pay part of these costs. Ms. Overgaard added that the current system is running on Windows XP which is not being supported and if something goes wrong there is no one to call to fix it.

Representative Spencer Hawley pointed out that it has been known for quite some time that Windows XP would not be supported and asked why SDPB waited until now to address this issue. Ms. Overgaard replied that they have been working on this for almost a year, and were about to sign a contract with Trivium, but that deal falling through created these last minute issues.

Senator Phyllis Heineman commented that the livestreaming of these meetings benefits the entire state and wondered about the Executive Branch's participation in funding this project.

Commissioner David Zolnowsky, Bureau of Information and Telecommunications (BIT), said that when the deal with Trivium fell through, a new solution had to be found and this Haivision proposal just came in within the last month. The Commissioner said that there have only been casual conversations with other state agencies regarding funding this proposal. Commissioner Zolnowsky added that they can continue with the current technology, but if any problems arise, it would be a struggle to get them fixed.

Representative Brian Gosch asked if BIT had reverted money back to the general fund at the end of FY15. Commissioner Zolnowsky said that if they did, it was not more than a hundred dollars.

In response to a question, **Senator Jim White** explained that the Budget Subcommittee had the same concerns as the full Board. The subcommittee suggests that members from the Legislative Executive Board sit down with the Executive Branch and discuss this funding need in greater detail. The subcommittee does not believe any action should be taken on this proposal today.

Senator Brown said that the lack of action does not mean the Board does not want to move forward, but that the Board needs to know where all the funding will come from before taking action.

South Dakota State Investment Council Update

Mr. Jim Means, Chair, and Mr. Matt Clark, State Investment Officer, South Dakota Investment Council, presented the FY15 Performance report and the FY17 budget request for the South Dakota State Investment Council ([Document #3](#)). The goal of the Investment Council is to always meet or beat the benchmarks that are set, which is a very difficult goal to meet. The SD Investment Council consistently outperforms their benchmarks. Mr. Means continued saying that it takes the support of the Legislature to make the Investment Council successful.

Mr. Clark presented the FY17 budget proposal pointing out that 90% of their budget is spent on staff with the remainder spent on operating expenses.

A MOTION WAS MADE BY REPRESENTATIVE GOSCH, SECONDED BY SENATOR OMDAHL, TO APPROVE THE FY17 BUDGET FOR THE SOUTH DAKOTA INVESTMENT COUNCIL AS PRESENTED. The motion prevailed on a roll call vote with 12 voting AYE and 3 EXCUSED. Those voting AYE: Gosch, Hawley, Hunt, Johns, Romkema, Cammack, Heineman, Omdahl, Parsley, Sutton, White, and Brown. EXCUSED: Bolin, Haggard, and Wink.

Mr. Clark presented the information regarding the state trust funds, explaining the funds and their growth for FY15.

Mr. Clark distributed the State Investment Officer Return-Linked Compensation report for FY15 ([Document #4](#)). Mr. Clark explained that no incentives are paid out until the Legislative Audit is completed.

The Board members complimented Mr. Clark on his management and leadership skills and thanked him for all the Investment Council has accomplished because of his leadership.

Technology Subcommittee Report

Senator Phyllis Heineman, Chair of the Technology Subcommittee, said that due to time constraints the subcommittee had not met but the LRC IT staff, starting with Mr. DeBolt, will present their reports to the full board.

Mr. Brian DeBolt, LRC Network Administrator, updated the Board on progress being made with installing the new LRC IT network (**Document #5**). Testing should begin in mid-September, but unexpected delays in acquiring internet services mean that the new network will not be ready for the 2016 Legislative Session. The system should, however, be in place for the 2016 Interim.

Mr. Kevin Kumpf, LRC Programmer/Analyst, reported that the new display system for the House is installed and fans have been ordered to assure the system does not overheat. Installation of hardware and the database on the server is still needed, along with tying in the audio from the rack. A demonstration of the new display board should be possible at a future Executive Board meeting.

Mr. Kumpf detailed the upgrades and new layouts for Legislative Conference Rooms (LCR) 1 and 2 (**Document #6**). The sliding wall that was located between the two rooms is being replaced with a stationary wall, but the two rooms can be used jointly through the use of the improved technology. There will now be four television screens/monitors in LCR 1 and two in LCR 2. The new layout of the tables and chairs will make the rooms more conducive to the meeting structure. Mr. Kumpf added that there are some technology upgrades also being installed in rooms 413 and 499 using repurposed equipment.

Budget Subcommittee Report

Ms. Annie Mehlhaff, Chief Fiscal Analyst, presented the FY17 Legislative Research Council budget request (**Document #7**). Ms. Mehlhaff explained the major changes to the FY17 budget request.

Senator Scott Parsley said that he could not support the budget change request because he believes that the removal of the MHEC dues should not be implemented prior to legislative action to rescind South Dakota's membership in MHEC; by supporting this request, the Board is anticipating the outcome of the proposed MHEC legislation.

SENATOR WHITE MOVED, SECONDED BY REPRESENTATIVE JOHNS, THAT THE LEGISLATIVE RESEARCH COUNCIL'S REQUESTED FY17 BUDGET INCREASE OF \$99,562 BE GRANTED. THE TOTAL FY17 GENERAL FUND BUDGET REQUEST FOR THE LRC IS \$5,976,096; AND THE TOTAL FY17 OTHER FUND EXPENDITURE AUTHORITY IS \$1,006,000. The motion prevailed on a roll call vote with 11 voting AYE; 1 voting NAY; and 3 EXCUSED. Those voting AYE: Gosch, Hawley, Hunt, Johns, Romkema, Cammack, Heineman, Omdahl, Sutton, White, and Brown. Those voting NAY: Parsley. EXCUSED: Bolin, Hagggar, and Wink.

Senator Jim White, Chair of the Budget Subcommittee, presented the FY17 budget request for the Department of Legislative Audit (**Document #8**). The request was for a \$39,970 increase over the FY2016 authorized budget. The increases are in personal services, travel, and contractual services.

SENATOR WHITE MOVED, SECONDED BY REPRESENTATIVE GOSCH, THAT THE DEPARTMENT OF LEGISLATIVE AUDIT'S REQUESTED FY17 BUDGET INCREASE OF \$39,970 BE GRANTED, BRINGING THE TOTAL FY17 GENERAL FUND BUDGET REQUEST FOR DLA TO

\$3,560,624. The motion prevailed on a roll call vote with 12 voting AYE and 3 EXCUSED. Those voting AYE: Gosch, Hawley, Hunt, Johns, Romkema, Cammack, Heineman, Omdahl, Parsley, Sutton, White, and Brown. EXCUSED: Bolin, Haggard, and Wink.

Budget System Update

Director Hancock has been working with Ms. Mehlhaff and Mr. Kumpf on researching a new budget system for LRC. Most other states either own or co-own their own budget systems, while our fiscal staff has very limited access to the Executive Branch's budget system and must rely on numerous Excel spreadsheets to complete the budget analysis. At this time, they have visited with Alaska and Idaho to look at their systems and both of those states have offered to let the South Dakota LRC use their systems free of charge. Another option is AGS from Bismarck which has built these types of systems for 8-10 other states and has met with LRC to discuss possible solutions. The LRC staff continues to research all options, including estimating the cost of converting another state's system to LRC's IT platform, versus purchasing the AGS solution, and will keep the Executive Board informed as to those findings.

Travel Costs Report

Ms. Mehlhaff presented a report on the new procedure for authorizing and paying Legislator travel expenses. The House of Representatives has a set budget and the Senate has a set budget and the Speaker and the President Pro Tem must approve Legislator travel prior to the event. The report on how those travel expenses are being tracked was distributed to the Board ([Document #9](#)).

This report shows the total of the vouchers that have been sent to the Auditor's office, not what has actually been paid. The report also does not include the NCSL meeting expenses, as those vouchers are still being submitted to the office.

Senator Brown asked if a running tally of these travel expenses can be kept as travel is approved, so that the Speaker and Pro Tem always know how much remains in their budget. Ms. Mehlhaff said that such a report should be available with the new system.

Executive Board Retreat Update

Director Hancock distributed an informational document regarding Executive Board Retreats ([Document #10](#)). Executive Board retreats were held regularly prior to the year 2000. These retreats allowed the Board to informally spend time planning for the future, evaluating trends, coordinating legislative logistics, and discussing legislative procedure issues. The Board will once again begin holding the regular retreats starting in October of this year.

The Executive Board will meet informally at Custer State Park beginning the afternoon of October 6 and will conclude their retreat on October 8.

The next formal meeting of the Executive Board will be in Pierre on November 16.

Other Business

Representative Roger Hunt asked if anything further needs to be done today regarding the SDPB issue with the streaming of Legislative meetings and floor debates. Senator Brown said that additional discussions need to be held before the Board takes any action. Director Hancock can keep the Board apprised of additional information as it is made available.

Adjourn

REPRESENTATIVE GOSCH MOVED, SECONDED BY SENATOR CAMMACK, THAT THE EXECUTIVE BOARD BE ADJOURNED. The motion prevailed unanimously on a voice vote.

The Board adjourned at 2:10 p.m.

All committee agendas and minutes are available on the LRC website: <http://legis.sd.gov/>. You may subscribe to electronic delivery of agendas and minutes at E-Subscribe on the LRC website.