

MINUTES

Executive Board



Representative G. Mark Mickelson, Chair
Senator Brock L. Greenfield, Vice Chair
Representative Spencer Hawley, Ranking Minority Member

**Sixth Meeting, 2017 Interim
Monday, November 13, 2017**

**Room 413 – State Capitol
Pierre, South Dakota**

The sixth meeting of the Executive Board for the 2017 Interim was called to order by Representative G. Mark Mickelson at 7:30 a.m. in room 413 of the State Capitol. A quorum was determined with the following members answering roll call: Representatives Spencer Gosch, Steven Haugaard, Tim Reed, Mike Stevens, and Craig Tieszen; Senators Jim Bolin, R. Blake Curd (via phone), Kris Langer, Jeff Partridge (via phone), Jim Stalzer, and Billie H. Sutton (via phone); Representative Spencer Hawley, Ranking Minority Member; Senator Brock L. Greenfield, Vice Chair; and Representative G. Mark Mickelson, Chair. Excused: Representative Lee Qualm.

Staff members present include Jason Hancock, Director; Sue Cichos, Deputy Director; Doug Decker, Code Counsel; Annie Mehlhaff, Chief Fiscal Analyst; David Ortbahn, Chief Analyst for Research; Scott Darnall, Information Technology Manager; and Cindy Tryon, Senior Legislative 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://sdlegislature.gov>.

Approval of Minutes

A MOTION WAS MADE BY REPRESENTATIVE STEVENS, SECONDED BY REPRESENTATIVE REED, TO APPROVE THE MINUTES OF THE MONDAY, AUGUST 28, 2017, EXECUTIVE BOARD MEETING. Motion prevailed on a voice vote.

Management Reports

Ms. Sue Cichos, Deputy Director, reported that 127 Page Applications have been submitted to the LRC. Ms. Cichos explained the process for selecting the pages which included being a senior, 3.0 GPA or higher, and submitting by the deadline, with the final decision being made by the presiding officers. Ms. Cichos announced that the SD Pharmacists Association has offered to provide flu shots for the legislators the first week of session. The association has determined the value of the flu shot as \$25 and a disclosure will be given to each legislator receiving the shot. The new law (SDCL 2-12-16) limits gifts to \$100 per year. The consensus was to proceed with the flu shot clinic.

Ms. Cichos said the Legislative Index has traditionally been printed with every legislator receiving a copy. The Index is now available on the LRC website, which means the printed version is used less often. The LRC proposes the printed version of the Index be available to legislators only upon request. In response to a question, Ms. Cichos said the cost per book is \$39.00. A few books will still be printed and placed in the repository. The consensus of the Executive Board is to proceed with changing the procedure and give printed versions of the Session Index to legislators only when requested.

Ms. Cichos proposed that during session the Legislative Update will be in an abbreviated form, printed weekly, focusing on deadlines and current events, and placed on the legislators' desks in addition to being sent electronically.

Ms. Annie Mehlhaff, Chief Fiscal Analyst, said the LRC received the FY19 State Agency Budget Request on November 1. The amount of the request far exceeds the estimated revenue for FY19 and the Governor's Office is in the process of paring down the amount of those requests.

Mr. Scott Darnall, IT Manager, said the new LRC website has been deployed and the feedback has been very positive. Mr. Darnall demonstrated the ease of finding various items on the site, as well as demonstrating the mobile version of the site.

Mr. Darnall said the updates to the LRC committee rooms have been completed. Some of the changes include adding cameras to allow for the ability to use Skype, some new television screens, and the "On Air" sign that notifies the committee that the meeting is being broadcast over the internet.

Mr. Darnall announced the resignation of Mr. Kevin Kumpf, Programmer, and said applications have been received for the position and interviews begin tomorrow.

Mr. David Ortbahn, Chief Research Analyst, said the bill drafting numbers are up this year, the number of bill requests is currently at the level normally not reached until January. The Lieutenant Governor requested the LRC accept agency bill sponsor forms electronically and it is in the process for use this year. Mr. Ortbahn said the intern selection process is about complete, with the internships currently being offered to the selected candidates.

Mr. Jason Hancock, Director, said the third-floor restroom remodels are underway and the work is expected to be completed by the end of December. The restrooms behind the Senate will be ADA compliant, while the House restrooms will not. Mr. Hancock also reported that the new chairs for the House and Senate floors will be delivered prior to the Governor's Budget Address.

Mr. Hancock said there will be legislator training the first weeks of session including a committee chair training refresher course, a report from the GOAC Chairs and Auditor General Marty Guindon, a presentation that Representative Hunhoff has arranged from the Center for Evidence-Based Policy, and a presentation on the work of the Commission on Uniform Laws. The Council of State Governments also offers training classes through their "Under the Dome" program, and can be invited to present one of those courses during the 2018 session.

Representative Mickelson and Senator Greenfield presented **Mr. Doug Decker, Code Counsel**, with a pin recognizing him for his 35 years of service to the State of South Dakota.

Issue Memos

Ms. Clare Charlson, Principal Research Analyst, presented the [Early Childhood Education Issue Memorandum](#). Forty-three states provide state-funded preschool programs, South Dakota and six other states do not. The memo concludes that the evidence is strong that children attending a quality preschool program reap the benefits in kindergarten and throughout their elementary school years, but there is not evidence that such benefits are sustained through high school.

Ms. Jessica LaMie, Legislative Attorney, presented the [Alcohol Regulations Issue Memorandum](#). The issue memo looks at the alcohol regulations in South Dakota and surrounding states.

Ms. Amanda Jacobs, Senior Research Analyst, presented the [Cigarette and Tobacco Taxation Issue Memorandum](#). The issue memo provides an overview of the taxation and regulation of cigarettes and tobacco products in South Dakota and compares them to the other states' regulations.

Mr. Jeff Mehlhaff, Fiscal Analyst, presented the [Tax Increment Financing Districts Issue Memorandum](#). The issue memo explains how the TIF districts have been an important tool to the economic growth of South Dakota, and how those TIF districts affect local property taxes and the state-aid to education formula. The issue memo also covers how the intent of the TIF districts has changed over the years.

Mr. Jeff Mehlhaff, Fiscal Analyst, presented the [Cooperative Extension Service Issue Memorandum](#). The issue memo includes information on how the Extension Service has changed and grown over the years, and explains how the service is financed.

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY SENATOR LANGER, TO APPROVE AND ADOPT THE FIVE ISSUE MEMOS AS PRESENTED. The motion prevailed on a roll call vote with 13 voting AYE, 2 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Langer, Partridge, Stalzer, Sutton, Hawley, Greenfield, and Mickelson. Those EXCUSED: Qualm, Curd.

Senator Greenfield commented that LRC can make modifications based on the few questions remaining.

2017 Interim Committee Final Reports

The Ag Land Assessment Task Force final report was presented by Ms. Amanda Jacobs, Senior Research Analyst. No legislation was proposed.

The Code Commission final report was presented by **Mr. Doug Decker, Code Counsel**. No legislation was proposed.

The Government Accountability Task Force final report was presented by **Mr. Fred Baatz, Principal Research Analyst**. The task force submitted five pieces of draft legislation for approval. The Executive Board said the legislation regarding defining gifts from registered lobbyists to public officials does not fall under the scope assigned to the task force and the board accepted the report with the exception of that bill draft.

The Interim Joint Committee on Appropriations final report was presented by Ms. Annie Mehlhaff, Chief Fiscal Analyst. No legislation was proposed; however, the committee will meet again in December.

The Rules Review Committee final report was presented by Mr. Doug Decker, Code Counsel. No legislation was proposed.

The State-Tribal Relations final report was presented by Ms. Jessica LaMie, Legislative Attorney, and **Representative Elizabeth May, Committee Vice Chair**. No legislation was proposed; however, the committee plans to hold two more meetings before the end of this interim.

The Workforce Housing Study Committee final report was given by **Senator Ryan Maher, Committee Vice Chair** (via phone). The committee submitted six pieces of draft legislation and the Executive Board accepted all as falling under the committee's scope of study.

The Government Operations and Audit (GOAC) final report was given by **Senator Deb Peters, GOAC Chair**. No legislation was proposed; however, the committee plans to hold another meeting before the end of the interim.

The Initiative and Referendum Task Force final report was given by **Senator Jim Bolin, Task Force Vice Chair**. The task force submitted ten pieces of draft legislation and the Executive Board accepted all as falling under the task force's scope of study.

A compilation of the [Final Interim Committee Reports and Judicial Opinions](#) can be found on the LRC website.

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY REPRESENTATIVE STEVENS, TO ACCEPT THE REPORTS OF THE GOVERNMENT ACCOUNTABILITY TASK FORCE EXCLUDING DRAFT BILL 191, THE WORKFORCE HOUSING STUDY COMMITTEE, AND THE INITIATIVE AND REFERENDUM TASK FORCE, AS BEING WITHIN THE ASSIGNED SCOPE OF STUDY. The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Langer, Partridge, Stalzer, Hawley, Greenfield, and Mickelson. Those EXCUSED: Qualm, Curd, and Sutton.

Initiative and Referendum

Mr. Wenzel Cummings, Legislative Attorney, presented the [Initiatives and Referenda Issue Memorandum](#). Representative Mickelson reviewed some of the history of initiatives and referenda in South Dakota.

Director Hancock presented a [list of ballot measures](#) considered for the 2018 ballot. The first page lists the eight measures that met the deadline for submitting petitions. The other pages list the measures that did not meet the deadline or were not filed and will not be placed on the 2018 ballot.

Representative Mark Mickelson played a recording of a conversation he had with a woman who said she is from Rapid City. Representative Mickelson said the call demonstrated the confusion and deceit that can surround the collection of signatures on petitions, and wanted the board to know.

Representative Mike Stevens said he would like to see a way for the printed ballot to distinguish between constitutional amendments and other ballot measures. Representative Mickelson suggested that Representative Stevens and Senator Langer work together to draft legislation that would help make that distinction.

Legislative Compensation

Director Hancock presented the [Legislative Compensation Issue Memorandum](#) from 2016, which gives the history and background of the legislative compensation in South Dakota and does a comparison to other states. The memo concludes, "Taking the politics out of the process of determining legislative compensation, either through the formation of an independent commission or by some other means, is likely the only way legislative salaries will ever begin to keep pace."

Director Hancock also presented the [Legislator Compensation Brief](#) detailing options available for addressing the legislative compensation issue. The 2018 legislative session will mark 20 years since the Legislature last authorized an increase in compensation. Board members expressed the importance of individual citizens being able to afford serving the state and the Legislature. The Legislature needs to include a diverse group beyond just those retired and in private business. Representative Mickelson pointed out that every legislator in the room was either retired or self-employed.

The Executive Board considered two pieces of draft legislation addressing different options for addressing the legislative compensation.

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY SENATOR PARTRIDGE, THAT THE EXECUTIVE BOARD APPROVE FOR INTRODUCTION THE LEGISLATION, "A JOINT RESOLUTION, PROPOSING AND SUBMITTING TO THE VOTERS AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF SOUTH DAKOTA, REMOVING THE LEGISLATURE'S AUTHORITY TO SET LEGISLATOR SALARIES FOR A REGULAR LEGISLATIVE SESSION." The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Langer, Partridge, Stalzer, Hawley, Greenfield, and Mickelson. Those EXCUSED: Qualm, Curd, and Sutton.

Executive Session

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY SENATOR LANGER, THAT THE EXECUTIVE BOARD GO INTO EXECUTIVE SESSION TO DISCUSS ITEMS RELATING TO PERSONNEL. The motion prevailed on a voice vote.

The Executive Board went into Executive Session at 11:45 am.

A MOTION WAS MADE BY SENATOR BOLIN, SECONDED BY REPRESENTATIVE GOSCH, THAT THE EXECUTIVE BOARD COME OUT OF EXECUTIVE SESSION. The motion prevailed on a voice vote.

The Executive Board came out of Executive Session at 12:30 pm. No action was taken.

Building South Dakota Update

Mr. Mehlhaff presented information to the board regarding the Building South Dakota Fund. Mr. Mehlhaff explained the [fund diagram and worksheet](#) and gave an [overview](#) of the different programs.

Representative Mickelson asked Mr. Mehlhaff to prepare a data table including the obligated funds, the spent funds, unobligated funds, and thoughts on whether this program should continue. The table can be presented at an informational meeting the first days of session.

Lobbyist Access to LRC Services

Representative Mickelson pointed out that the LRC staff members work for the 105 legislators. When non-legislators wish to use the services of the LRC staff for drafting bills and amendments and other such services, they should go through a legislator.

Director Hancock explained how this issue is handled in other states. This discussion does not come from having a poor relationship with the lobbyists but from making sure everyone understands the LRC staff work for the Legislature. One possible solution is requiring lobbyists and other non-legislators to have permission from a legislator before requesting drafting assistance from an LRC staff member.

Mr. Bill Van Camp, Lobbyist, and **Mr. Greg Dean, Lobbyist**, both testified that changing the process in this way would cause logistical problems, especially towards the end of session when amendments are needed quickly.

Representative Mickelson added that it is important to make sure everyone understands the staff is working for the legislators.

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY REPRESENTATIVE GOSCH, THAT THE EXECUTIVE BOARD PROHIBIT THE LEGISLATIVE RESEARCH COUNCIL FROM PROVIDING BILL DRAFTING SERVICES TO LOBBYISTS AND OTHER NON-LEGISLATORS WITHOUT LEGISLATOR AUTHORIZATION. The motion prevailed on a roll call vote with 12 voting AYE, 1 voting NAY, 2 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Stalzer, Sutton, Hawley, Greenfield, and Mickelson. Voting NAY: Partridge. Those EXCUSED: Qualm, Langer.

Future Executive Board Membership

Senator Brock Greenfield said adding the Speaker Pro Tempore as an ex-officio member of the Executive Board would better prepare him or her for the role the Speaker of the House has on the Executive Board, as chair and vice chair of the board in alternating years.

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY REPRESENTATIVE HAWLEY, THAT THE SPEAKER PRO TEMPORE BE A NON-VOTING, EX-OFFICIO MEMBER OF THE EXECUTIVE BOARD. The motion prevailed on a roll call vote with 13 voting AYE, 2 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield, and Mickelson. Those EXCUSED: Qualm, Sutton.

Legislative Fiscal Staff Additions and Responsibilities

Ms. Annie Mehlhaff, Chief Fiscal Analyst, distributed NCSL's report, "[Ensuring the Public Trust 2015 – Program Policy Evaluation's Role in Serving State Legislatures.](#)" Ms. Mehlhaff said there are ten states that do not have a program evaluation office, and South Dakota is one of those states. The LRC could provide this program with the addition of two full time employees.

Director Hancock said there is funding to hire one employee now, and approval would be needed during the 2018 session to hire a second employee.

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY SENATOR BOLIN, THAT THE EXECUTIVE BOARD AUTHORIZE DIRECTOR HANCOCK TO HIRE TWO ADDITIONAL FISCAL STAFF, ONE BEFORE SESSION IF A HIGHLY QUALIFIED CANDIDATE IS AVAILABLE, AND EXPAND THE DUTIES OF THE FISCAL STAFF TO INCLUDE PERFORMING PROGRAM EVALUATIONS. The motion prevailed on a roll call vote with 11 voting AYE, 2 voting NAY, 2 EXCUSED. Those voting AYE: Haugaard, Reed, Stevens, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield, and Mickelson. Those voting NAY: Gosch, Tieszen. Those EXCUSED: Qualm, Sutton.

Legislative Agenda Joint Session Address

Representative Mickelson said during the first week of session there is a Governor's State of the State address, the Chief Justice presents a State of the Judiciary address, and a tribal leader presents the State of the Tribes address. There is no State of the Legislature address and perhaps there should be.

The consensus of the board members is to proceed with the proposal to present a State of the Legislature address during the first week of session.

Tenure and Collective Bargaining at Public Universities

Ms. Clare Charlson, Principal Research Analyst, reported that tenure began in the 1940s and became more popular in the 1970s. Currently, less than 30% of faculty members nationally are tenured, as more institutions rely on part-time faculty and teacher assistants. Some of the younger institutions do not offer tenure and hire faculty on a contract basis.

Ms. Charlson said higher education faculty began using collective bargaining in the 1960s, but a 1980s Supreme Court case slowed the growth of collective bargaining on campuses. There is one faculty union in South Dakota that covers all the state higher education employees.

Mr. Guilherme Costa, General Counsel, Board of Regents, said there is one union that oversees two different contracts. Mr. Costa estimated about 10% of the faculty belong to the union. The Law School and the Medical School are not part of the bargaining unit.

Representative Mickelson thanked Ms. Charlson and Mr. Costa and explained there will be legislation this next session regarding collective bargaining on campuses and that is why he requested this report.

Rules for 2018 Legislative Interim Committees

Mr. Doug Decker, Code Counsel, said the current legislative interim committee rules were adopted by the Executive Board in 1995. There have been some questions regarding those rules and the [draft rules](#) prepared for consideration today were written to address those questions.

A MOTION WAS MADE BY SENATOR GREENFIELD, SECONDED BY SENATOR STALZER THAT THE EXECUTIVE BOARD APPROVE RULES ONE THROUGH NINETEEN OF THE "RULES OF PROCEDURE FOR INTERIM, STATUTORY, AND STANDING COMMITTEES OPERATING DURING THE INTERIM, BEGINNING IN 2018" AS PRESENTED. The motion prevailed on a roll call vote with 13 voting AYE, 2 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield, and Mickelson. Those EXCUSED: Qualm, Sutton.

A MOTION WAS MADE BY REPRESENTATIVE STEVENS, SECONDED BY SENATOR STALZER, TO REVISE RULE TWENTY AS FOLLOWS: "IF AUTHORIZED BY THE EXECUTIVE BOARD OF THE LEGISLATIVE RESEARCH COUNCIL, A COMMITTEE MAY ADMINISTER OATHS; ISSUE SUMMONS TO APPEAR; ISSUE A SUBPOENA TO COMPEL THE ATTENDANCE OF A WITNESS OR THE PRODUCTION OF PAPERS, BOOKS, DOCUMENT, ACCOUNTS, OR OTHER THINGS. " The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield. Those EXCUSED: Qualm, Sutton, Mickelson.

Representative Mickelson turned the gavel over to Senator Greenfield for the remainder of the meeting.

Proposed Changes to 2018 Joint Rules

The board was presented with several proposed [changes to the joint rules](#) for consideration. Changes approved by the Executive Board will be submitted to the Joint Legislative Procedure Committee.

Dividing the Question – Mr. David Ortbahn, Chief Research Analyst, said this addresses the fact that a bill cannot be divided.

A MOTION WAS MADE BY REPRESENTATIVE HAWLEY, SECONDED BY REPRESENTATIVE STEVENS, TO APPROVE FOR SUBMISSION TO THE JOINT LEGISLATIVE PROCEDURE COMMITTEE THE PROPOSED CHANGES TO JOINT RULES 5-9 AND 7-27, RELATING TO DIVISION OF THE QUESTION, AS WRITTEN. The motion prevailed on a roll call vote with 11 voting AYE, 1 voting NAY, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, and Hawley. Voting NAY: Greenfield. Those EXCUSED: Qualm, Sutton, Mickelson.

Withdrawal of Bills – This rule changes the procedure for withdrawing bills from consideration. Senator Curd commented that if this rule passes then the option to withdraw a bill should not be allowed.

A MOTION WAS MADE BY REPRESENTATIVE HAWLEY, SECONDED BY REPRESENTATIVE STEVENS, TO APPROVE FOR SUBMISSION TO THE JOINT LEGISLATIVE PROCEDURE COMMITTEE THE PROPOSED CHANGE TO JOINT RULE 6B-1.1, RELATING TO WITHDRAWAL OF BILLS, AS WRITTEN. The motion failed on a roll call vote with 5 voting AYE, 7 voting NAY, 3 EXCUSED. Those voting AYE: Stevens, Tieszen, Bolin, Partridge, Hawley. Those voting NAY: Gosch, Haugaard, Reed, Curd, Langer, Stalzer, Greenfield. Those EXCUSED: Qualm, Sutton, Mickelson.

Electronic Committee Testimony – This rule allows the committee chairs to decide if and when people will be able to testify via Skype. Procedures will be put in place to accommodate the technical aspects of using this system.

A MOTION WAS MADE BY SENATOR STALZER, SECONDED BY SENATOR BOLIN, TO APPROVE FOR SUBMISSION TO THE JOINT LEGISLATIVE PROCEDURE COMMITTEE THE PROPOSED CHANGE TO JOINT RULE 7-28, RELATING TO ELECTRONIC COMMITTEE TESTIMONY, AS WRITTEN. The motion prevailed on a roll call vote with 11 voting AYE, 4 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Stalzer, Hawley, Greenfield. Those EXCUSED: Qualm, Partridge, Sutton, Mickelson.

Permissible Committee Motions – Mr. Ortbahn explained these changes are clean up and mostly pertain to amended bills.

A MOTION WAS MADE BY REPRESENTATIVE REED, SECONDED BY SENATOR STALZER, TO APPROVE FOR SUBMISSION TO THE JOINT LEGISLATIVE PROCEDURE COMMITTEE THE PROPOSED CHANGE TO JOINT RULE 7-16, RELATING TO PERMISSABLE MOTIONS IN COMMITTEE, AS WRITTEN. The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield. Those EXCUSED: Qualm, Sutton, Mickelson.

Minority and Dissenting Reports – Mr. Decker said this rule change moves when the dissenting report is placed in the journal to the subsequent legislative day.

A MOTION WAS MADE BY REPRESENTATIVE HAWLEY, SECONDED BY REPRESENTATIVE STEVENS, TO APPROVE FOR SUBMISSION TO THE JOINT LEGISLATIVE PROCEDURE COMMITTEE THE PROPOSED CHANGES TO JOINT RULES 1-10 AND 7-4, RELATING TO DISSENTING REPORTS, AS WRITTEN. The motion prevailed on a roll call vote with 10 voting AYE, 1 voting NAY, 4 EXCUSED. Those voting AYE: Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield. Those voting NAY: Haugaard. Those EXCUSED: Gosch, Qualm, Sutton, Mickelson.

Prison & Jail Cost Estimate Updates – Director Hancock said the statute requiring the cost estimates changed and that is why this clean-up is needed.

A MOTION WAS MADE BY SENATOR STALZER, SECONDED BY SENATOR BOLIN, TO APPROVE FOR SUBMISSION TO THE JOINT LEGISLATIVE PROCEDURE COMMITTEE THE PROPOSED CHANGES TO JOINT RULES 6C-1 AND 6C-1.3, RELATING TO PRISON AND JAIL POPULATION COST ESTIMATES, AS WRITTEN. The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield. Those EXCUSED: Qualm, Sutton, Mickelson.

Revenue Target Selection Date – Mr. Hancock explained that the rule change regarding the revenue target date is no longer necessary, so no action is needed.

Lean Contract for Department of Labor and Regulation

Mr. Jason Simmons, Principal Fiscal Analyst, said the decline in federal funding led to the selection of the Department of Labor and Regulation as the next department to conduct a Lean audit as a way to help the agency determine areas where spending can be cut. Director Hancock said two companies submitted proposals and QPIC was selected. The Lean process will begin by January 8, 2018, and run for six months. In order for the Lean audit to begin, the Executive Board must authorize the transfer of the funds from the contingency fund for the purpose of funding the Lean audit.

A MOTION WAS MADE BY SENATOR PARTRIDGE, SECONDED BY REPRESENTATIVE TIESZEN, TO AUTHORIZE DIRECTOR HANCOCK TO TRANSFER UP TO \$99,000 FROM THE LEGISLATIVE PRIORITY PROGRAM CONTINGENCY FUND TO THE LEGISLATIVE RESEARCH COUNCIL FOR THE PURPOSE OF CONTRACTING FOR LEAN TRAINING AND IMPLEMENTATION FOR THE DEPARTMENT OF LABOR AND REGULATION. The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield. Those EXCUSED: Qualm, Sutton, Mickelson.

Judicial Opinions Report

Mr. Cummings presented the Judicial Opinions Report which is included in the [Final Reports and Judicial Opinions](#) document. The LRC is required by statute to prepare an annual report noting "opinions of state and federal courts issued in the preceding year" involving the interpretation of "legislative intent of various South Dakota statutes."

The Executive Board is to "review and make recommendations for further legislative action regarding the opinions of state and federal courts" that interpret the intent of legislative acts. This requirement applies to six cases heard in the past year and Mr. Cummings explained those cases and the recommendations regarding those cases.

General Fund Revenue Update

Mr. Mehlhaff gave an update on the [FY18 State General Fund Receipts](#), reporting that receipts are down about \$4.2 million so far this fiscal year.

Department of Legislative Audit Staff Compensation

Mr. Marty Guindon, Auditor General, Department of Legislative Audit, discussed staff recruitment challenges the department faces when attempting to hire new staff. The Bureau of Human Resources is doing a salary comparison with other states and Mr. Guindon would like to wait for the results of that study before requesting salary adjustments for newly hired auditors, but he does believe the starting salary is one of the recruitment challenges.

LRC Internal Control Procedures and Personnel Manual Update

Ms. Sue Cichos, Deputy Director, said the Board of Internal Control requires state agencies to adopt a code of conduct and address conflicts of interest. The LRC Employee Personnel Manual does meet the requirements and in some cases, exceeds the requirements.

Director Hancock said a few updates to the [Personnel Manual](#) are needed and those changes are underlined on pages 2, 3, 11, and 12 of the distributed manual.

A MOTION WAS MADE BY REPRESENTATIVE HAWLEY, SECONDED BY SENATOR STALZER, TO ADOPT THE PROPOSED CHANGES TO THE LRC PERSONNEL MANUAL, AS PRESENTED, AND FIND THAT THE MANUAL COMPLIES WITH THE LAW ON INTERNAL CONTROL PROCEDURES. The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Gosch, Haugaard, Reed, Stevens, Tieszen, Bolin, Curd, Langer, Partridge, Stalzer, Hawley, Greenfield. Those EXCUSED: Qualm, Sutton, Mickelson.

Article V Convention for Balanced Budget Amendment

Senator Brock Greenfield presented **Senator Jim Stalzer** with a certificate of appreciation recognizing Senator Stalzer for his service on the Article V Convention planning committee.

Senator Stalzer reported on the planning committee meeting held in Phoenix, AZ, on September 12-15. Former-Representative Hal Wick and Senator Stalzer served on the rules committee and Representative Mike Stevens served on the planning committee in preparation for the Article V Convention ([Senator Stalzer's report](#)) ([Convention Resolution 1 Index](#) and [Convention Resolution 1](#)) ([Convention Final Report](#) and [Convention Recommendations](#)).

Other Business

Senator Stalzer said issues can arise during session that receive a lot of public scrutiny and some angry phone calls are made to legislators and the Legislative Pages answer those phone calls. Some callers use abusive language when talking to the Pages and these students should not have to endure that treatment. Director Hancock said the Pages do enjoy answering the phones for the most part and it is a learning experience for them, but perhaps when these types of issues arise calls could be forwarded elsewhere. The LRC will research options on how abusive calls could be diverted.

Adjourn

A MOTION WAS MADE BY SENATOR PARTRIDGE, SECONDED BY SENATOR BOLIN, THAT THE EXECUTIVE BOARD BE ADJOURNED. The motion prevailed on a voice vote.

The Board adjourned at 4:45 p.m.