

South Dakota Board of Regents
2006 Legislative Session - HB1238
SDCL 13-51-1.3 & 13-51-1.4
August 2016

The following is the report required by HB1238 passed by the Legislature in 2006 and codified in SDCL 13-51-1.3 and 13-51-1.4. The SDCL is attached for reference.

Section 4. Commencing in 2016 and every ten years thereafter, the provisions of section 3 of this Act shall be reviewed by a special legislative task force consisting of the speaker of the House of Representatives and four other members of the House of Representatives appointed by the speaker of the House of Representatives and the president pro-tempore of the Senate and four other members of the Senate appointed by the president pro-tempore of the Senate. Not all of the members from the House of Representatives or the Senate may be of the same party. The special legislative task force shall review the appropriateness of the provisions of section 3 of this Act and make recommendation to the Legislature regarding any revisions, additions, or deletions to the various conditions contained in section 3 of this Act.

Section 3. The expenditures authorized by this Act shall be solely for the purposes of providing a site for the operation of instructional, research and service programs delivered through institutions established by the Legislature and governed by the Board of Regents. The Board of Regents may only use the property for the primary purpose of education or research. It is the intent of the Board of Regents and the Eighty-first Legislature that the Board of Regents may not without express legislative authorization:

- (1) Organize the programs delivered at this site into a separate degree-granting institution;
All courses and programs offered at the site are done so in collaboration with the partner universities and all degrees granted are through one of the 6 public universities.
- (2) Erect student residence facilities on the site;
There have been no residential facilities built and none are being planned.
- (3) Construct facilities on the site for use as intercollegiate athletic practice or competition;
There have been no intercollegiate facilities built and none are being planned.
- (4) Establish intercollegiate athletic teams at the site;
There are no athletic teams associated with the UC-Sioux Falls site.
- (5) Sell any portion of the property acquired pursuant to this Act unless the property is appraised and advertised and offered for sale at public auction. No portion of the property may be sold except at public sale and for an amount less than the appraised value;
None of the original property has been sold.
- (6) Offer courses taught on the property at any rate other than the self-support tuition rate;
The Board has approved multiple self-support rates at University Center – Sioux Falls (UC-SF). The current rate for baccalaureate programs is the same as that for off-campus or distance credits. The undergraduate resident state-support rate at USD is \$238.50 per credit, and the self-support rates for UC-SF and distance is \$333.35. The graduate resident state-support rate at USD is \$313.15 per credit, and the self-support rate for UC-SF and distance is \$442.05. The Board recently established a UC-SF Associate Degree Program (Lower Division) rate to reflect a cohort rate for the AS degree, which is \$270.00 per credit.
- (7) Lease for nonagricultural purposes more than ten percent of the surface area of the property to third parties;

We do not lease any UC land for nonagricultural purposes – with exception of the Regents' lease of the 80 acres to USD Discovery District which is consistent with the original purpose of education or research (SDCL 13-51-1.5, attached). Senate Bill 188 was passed by the 2012 Legislature (Chapter 5-29) that authorizes establishment, operation, and control of research parks on lands controlled by the Board of Regents and creates a blueprint for private investment on lands leased from the state.

(8) Lease to third parties more than ten percent of the useable space within any building constructed with state funds appropriated by the Legislature;

Outside of the GEAR building, the University Center only leases one small UC office to an outside/third party which is also tied to GEAR. UC also leases two office spaces for Prairie Family Business Association (PFBA). PFBA is an outreach center of the Beacom School of Business, focused on providing educational programming opportunities to family-owned businesses in South Dakota.

(9) Permit any free-standing commercial facility to be constructed on the property or any commercial facility to be located within any building constructed with state funds unless the commercial facility is reasonably needed to meet the convenience and needs of the students and instructors using the building.

No free-standing commercial facilities have been built on the site, nor are there any commercial facilities within the buildings built with State Funds.

SDCL: 13-51-1.3, 13-51-1.4, 13-51-1.5

13-51-1.3. Sioux Falls site for instructional, research, and service programs-- Limitations on use. The expenditures authorized by chapter 106 of the 2006 Session Laws shall be solely for the purposes of providing a site for the operation of instructional, research and service programs delivered through institutions established by the Legislature and governed by the Board of Regents. The Board of Regents may only use the property for the primary purpose of education or research. It is the intent of the Board of Regents and the Eighty-first Legislature that the Board of Regents may not without express legislative authorization:

- (1) Organize the programs delivered at this site into a separate degree-granting institution;
- (2) Erect student residence facilities on the site;
- (3) Construct facilities on the site for use as intercollegiate athletic practice or competition;
- (4) Establish intercollegiate athletic teams at the site;
- (5) Sell any portion of the property acquired pursuant to chapter 106 of the 2006 Session Laws unless the property is appraised and advertised and offered for sale at public auction. No portion of the property may be sold except at public sale and for an amount less than the appraised value;
- (6) Offer courses taught on the property at any rate other than the self-support tuition rate;
- (7) Lease for nonagricultural purposes more than ten percent of the surface area of the property to third parties;
- (8) Lease to third parties more than ten percent of the useable space within any building constructed with state funds appropriated by the Legislature; or
- (9) Permit any free-standing commercial facility to be constructed on the property or any commercial facility to be located within any building constructed with state funds unless the commercial facility is reasonably needed to meet the convenience and needs of the students and instructors using the building.

Source: SL 2006, ch 106, § 3, eff. Mar. 8, 2006.

13-51-1.4. Special legislative task force review. Commencing in 2016 and every ten years thereafter, the provisions of § 13-51-1.3 shall be reviewed by a special legislative task force consisting of the speaker of the House of Representatives and four other members of the House of Representatives appointed by the speaker of the House of Representatives and the president pro-tempore of the

Senate and four other members of the Senate appointed by the president pro-tempore of the Senate. Not all of the members from the House of Representatives or the Senate may be of the same party. The special legislative task force shall review the appropriateness of the provisions of § 13-51-1.3 and make recommendation to the Legislature regarding any revisions, additions, or deletions to the various conditions contained in § 13-51-1.3.

Source: SL 2006, ch 106, § 4, eff. Mar. 8, 2006.

13-51-1.5. Sioux Falls research park. The Board of Regents may provide for the construction, development, maintenance, and operation of a research park on the property in Sioux Falls acquired pursuant to chapter 106 of the 2006 Session Laws. The research park authorized by this section may not occupy more than eighty acres. All limitations imposed by § 13-51-1.3 upon the use of University Center land shall continue in full force and effect with the exception of the separately platted tracts occupied by the research park authorized by this section. Such separately platted tracts shall, instead, be subject to the limitations on the use of research parks stated in this section.

Source: SL 2009, ch 93, § 1.