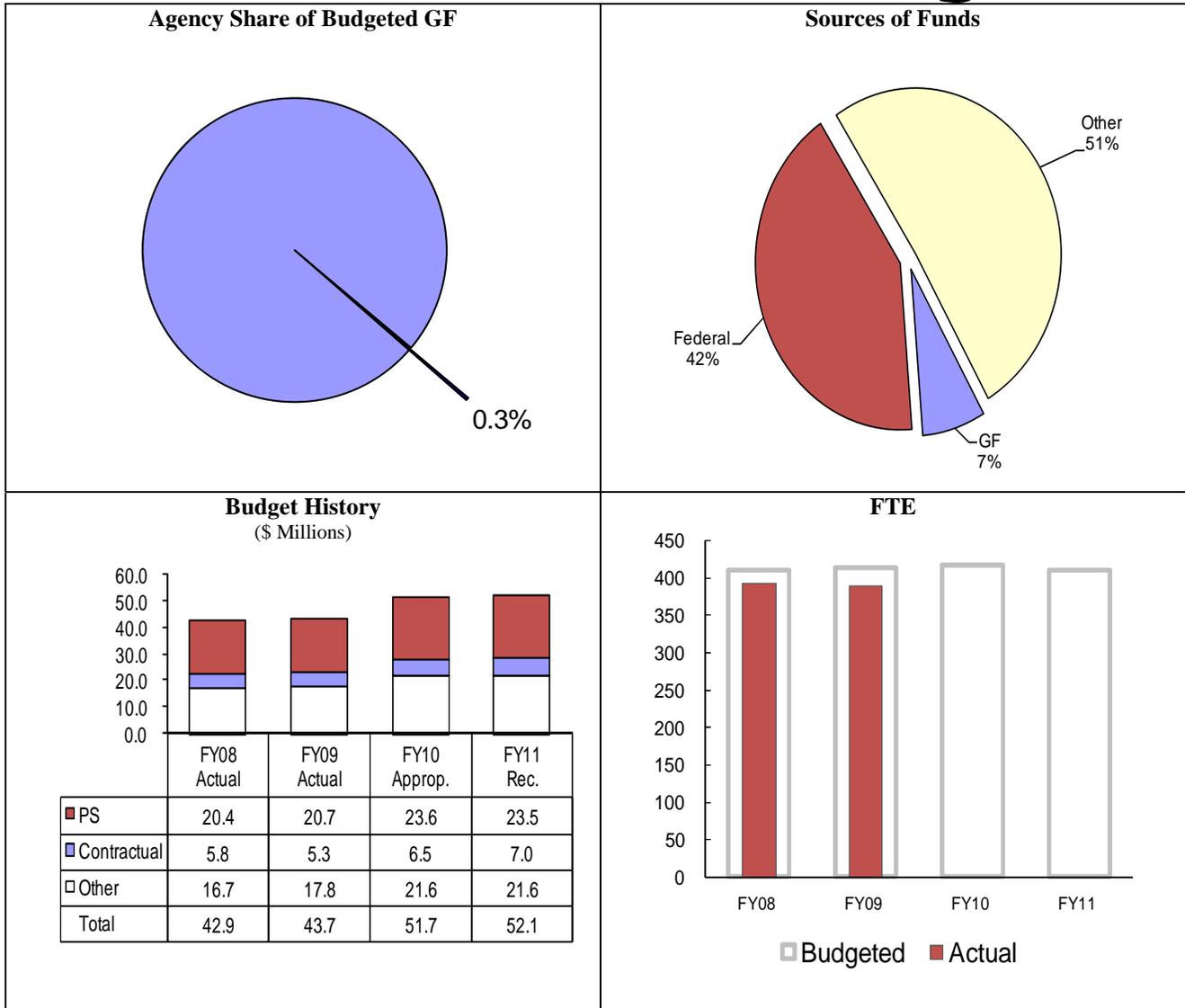


FY11 Budget Briefing

Public Safety



Key Responsibilities

- Keep South Dakota a safe place in which to live, work, visit, and raise a family.
- The department performs law enforcement, public safety communications, highway safety, traffic crash record keeping, driver licensing, regulatory inspection services, emergency medical licensing and certification, fire training and investigation, emergency preparedness and hazard mitigation, and homeland security.

Key Personnel

- Tom Dravland, Department Secretary
- Cindy Jungman, Finance Officer

Department of Public Safety

The Governor recommends a total appropriation of \$52,070,337 and 411.5 FTEs for the Department of Public Safety for FY 2011. This dollar amount consists of \$3,669,056 from the general fund, \$21,892,382 in federal funds, and \$26,508,899 in other funds. The Governor's recommendation is an increase from FY 2010 in general funds of \$14,458 (0.4%), in federal funds of \$11,210 (0.1%), and in other funds of \$387,784 (1.5%). The Governor's recommendation for FTEs is a decrease of 6.0 FTEs from FY 2010.

Item	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	20,681,862	23,579,382	23,584,382	23,488,260	(91,122)	(0.4%)
Travel	1,247,509	1,592,134	1,592,134	1,592,134	-	0.0%
Contractual Services	5,305,352	6,517,418	7,025,611	7,021,992	504,574	7.7%
Supplies & Materials	1,797,662	2,270,363	2,270,363	2,270,363	-	0.0%
Grants And Subsidies	13,192,866	15,987,296	15,987,296	15,987,296	-	0.0%
Capital Outlay	1,507,498	1,710,292	1,710,292	1,710,292	-	0.0%
Other	9,208	-	-	-	-	0.0%
Total	43,741,957	51,656,885	52,170,078	52,070,337	413,452	0.8%
Funding Types						
General	4,012,185	3,654,598	3,654,598	3,669,056	14,458	0.4%
Federal	17,101,106	21,881,172	21,881,172	21,892,382	11,210	0.1%
Other	22,628,666	26,121,115	26,634,308	26,508,899	387,784	1.5%
Total	43,741,957	51,656,885	52,170,078	52,070,337	413,452	0.8%
FTE	389.0	417.5	417.5	411.5	(6.0)	(1.4%)

Salary Policy

The Governor recommends no salary policy for FY 2011.

	General Funds	Federal Funds	Other Funds	Total
0% PACE Movement	-	-	-	-
0% Across-the-Board	-	-	-	-
Health Insurance	15,143	13,062	118,396	146,601
Total	15,143	13,062	118,396	146,601

Excess Personal Services History

Amount appropriated for personal services that exceeded personal services needs.

	General Funds	Federal Funds	Other Funds	All Funds	FTE
FY09	131,207	632,975	1,733,984	2,498,166	25.5
FY08	75,342	450,550	1,256,133	1,782,025	16.7
FY07	82,909	399,606	857,049	1,339,563	13.9
FY06	281,634	187,085	381,569	850,288	4.4
FY05	98,293	192,903	817,355	1,108,551	10.4
5 Yr Ave.	133,877	372,624	1,009,218	1,515,718	14.2

Department's FY10 Highest Priorities

- Protect People and Property
- Build Relationships with the Public
- Maximize Resources

Major Expansions and Reductions

Program		Governor's Recommendation		
		State General Fund	All Funds	FTE
A.	Administration			
	-Operating Expenses	-	(163)	
B.	Highway Patrol			
	-Personal Services	-	(195,625)	(5.0)
	-Operating Expenses	-	(642)	
C.	Emergency Services & Homeland Security			
	-Personal Services	-	(42,098)	(1.0)
	-Operating Expenses	(659)	17,656	
D.	Inspection and Licensing			
	-Operating Expenses	(26)	487,723	
	Health Insurance	15,143	146,601	
Total		14,458	413,452	(6.0)

A. Administration:

Administration - The Governor is recommending a decrease in other fund expenditure authority of \$163 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

B. Highway Patrol:

Highway Patrol – The Governor recommends a decrease of \$195,625 in other fund expenditure authority for personnel services and 5.0 FTEs. This decrease is due to underutilized FTE hours in the motor carrier section of the Highway Patrol.

Highway Patrol – The Governor is recommending a decrease in other fund expenditure authority of \$405 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011

Accident Records – The Governor is recommending a decrease in federal fund expenditure authority of \$139 and in other fund expenditure authority of \$35 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011

Highway Safety – The Governor is recommending a decrease in federal fund expenditure authority of \$35 and in other fund expenditure authority of \$28 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

C. Emergency Services and Homeland Security:

Emergency Management - The Governor recommends a decrease of \$47,098 in other fund expenditure authority for personnel services and 1.0 FTE. This decrease is due to underutilized FTE hours in Emergency Management.

Emergency Management - The Governor is recommending a decrease in general fund expenditure authority of \$450, in federal fund expenditure authority of \$1,578, and in other fund expenditure authority of \$7 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

Emergency Medical Services - The Governor is recommending a decrease in general fund expenditure authority of \$73 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

Fire Marshal – The Governor is recommending an increase in other fund expenditure authority of \$5,000 for personal services. This increase is due to HB1280 which was passed during the 2009 Legislative Session. This bill created legislation regulating the sale of fire safe cigarettes and will require testing efforts from the Fire Marshal’s office when the legislation takes effect on 1/1/11. These expenses will be paid from fire safe cigarette registration fees.

Fire Marshal – The Governor is also recommending an increase in other fund expenditure authority of \$20,000 for contractual services. This increase is also due to HB1280 which was passed during the 2009 Legislative Session. The requested increase is for inspection costs related to monitoring fire safe cigarette standards when the legislation takes effect on 1/1/11. These expenses will be paid from fire safe cigarette registration fees.

Fire Marshal – The Governor is recommending a decrease in general fund expenditure authority of \$136 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

Homeland Security - The Governor is recommending a decrease in federal fund expenditure authority of \$100 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

D. Inspection and Licensing:

Weights and Measures - The Governor is recommending a decrease in general fund expenditure authority of \$26 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

Driver Licensing - The Governor is recommending a decrease in other fund expenditure authority of \$374 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011

Driver Licensing - The Governor recommends an increase of \$488,193 in other fund expenditure authority for contractual services. This increase is due to the driver license issuance contract, which will expire in FY 2010. A new contract has been entered into and the new cost per card is \$5.586 effective December 31, 2009. The cost of the contract per card was \$1.46 per card issued from 1990 until June of 2008. At that time, the cost per card was increased to \$1.58 per card to extend the current contract and work on an RFP for a new system. The Driver Licensing program will issue approximately 226,000 driver license and ID cards in FY 2011. The cost per card increased on December 31, 2009. This expenditure authority was already increased in FY 2010 by \$423,743 to cover 5 months of the new contract. With the increase recommended for FY 2011, the total amount budgeted for microfilm and photography for the issuance of driver license and ID cards will be \$1,262,436 (226,000 x \$5.586) in FY 2011.

Inspections – The Governor is recommending a decrease in other fund expenditure authority of \$70 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

Administration

The mission of the Administration Division is to provide leadership and direction to the department's agencies. Also, to develop and implement policies, prepare an annual budget, oversee legislative activities, and provide administrative and fiscal support.

The Governor recommends a total appropriation of \$857,313 and 8.5 FTEs for the Administration Division for FY 2011. This dollar amount consists of \$105,808 from the general fund, \$123,044 in federal sources, and \$628,461 in other funds. The Governor's recommendation is an increase from FY 2010 in general funds of \$167 (0.2%) and in other funds of \$2,374 (0.4%).

Item	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	571,633	715,421	715,421	718,125	2,704	0.4%
Travel	5,886	12,699	12,699	12,699	-	0.0%
Contractual Services	51,426	110,054	110,054	109,891	(163)	(0.1%)
Supplies & Materials	7,926	12,898	12,898	12,898	-	0.0%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	1,670	3,700	3,700	3,700	-	0.0%
Other	-	-	-	-	-	0.0%
Total	638,541	854,772	854,772	857,313	2,541	0.3%
Funding Types						
General	155,639	105,641	105,641	105,808	167	0.2%
Federal	112,922	123,044	123,044	123,044	-	0.0%
Other	369,980	626,087	626,087	628,461	2,374	0.4%
Total	638,541	854,772	854,772	857,313	2,541	0.3%
FTE	8.4	8.5	8.5	8.5	-	0.0%

Budget Notes

- The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$167 in general fund expenditure authority, and \$2,537 in other fund expenditure authority.
- The Governor is recommending a decrease in other fund expenditure authority of \$163 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011

Highway Patrol

To protect the rights and interests of the public; to promote the safe and efficient use of our highways; to provide enforcement of all traffic, motor carrier, and criminal statutes and regulations; to promote traffic safety and compliance with state and federal laws and regulations; to provide radio dispatch services; to maintain data on vehicle accidents; and, to pursue a reduction in traffic crashes, and traffic and criminal violations. The Division of Highway Patrol includes the Highway Patrol, Accident Records, Highway Safety, and State Radio.

The Governor recommends a total appropriation of \$25,871,889 and 277.0 FTEs for the Division of Highway Patrol for FY 2011. This dollar amount consists of \$1,388,642 from the general fund, \$5,538,263 in federal funds, and \$18,944,984 in other funds. The Governor's recommendation is an increase from FY 2010 in general funds of \$8,091 (0.6%), in federal funds of \$3,902 (0.1%), and a decrease in other funds of \$111,912 (0.6%). The Governor's recommendation for FTEs is a decrease of 5.0 FTEs from FY 2010.

Item	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	15,031,251	16,743,251	16,743,251	16,643,974	(99,277)	(0.6%)
Travel	617,622	796,239	796,239	796,239	-	0.0%
Contractual Services	2,376,528	2,419,540	2,419,540	2,418,898	(642)	(0.0%)
Supplies & Materials	1,475,098	1,773,930	1,773,930	1,773,930	-	0.0%
Grants And Subsidies	2,479,885	3,023,450	3,023,450	3,023,450	-	0.0%
Capital Outlay	1,343,000	1,215,398	1,215,398	1,215,398	-	0.0%
Other	9,208	-	-	-	-	0.0%
Total	23,332,592	25,971,808	25,971,808	25,871,889	(99,919)	(0.4%)
Funding Types						
General	1,832,062	1,380,551	1,380,551	1,388,642	8,091	0.6%
Federal	4,411,237	5,534,361	5,534,361	5,538,263	3,902	0.1%
Other	17,089,293	19,056,896	19,056,896	18,944,984	(111,912)	(0.6%)
Total	23,332,592	25,971,808	25,971,808	25,871,889	(99,919)	(0.4%)
FTE	263.6	282.0	282.0	277.0	(5.0)	(1.8%)

Budget Notes

- **Highway Patrol** – The Governor recommends a decrease of \$195,625 in other fund expenditure authority for personnel services and 5.0 FTEs. This decrease is due to underutilized FTE hours in the motor carrier section of the Highway Patrol.
- **Highway Patrol** – The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$310 in federal fund expenditure authority and \$83,450 in other fund expenditure authority.
- **Highway Patrol** – The Governor is recommending a decrease in other fund expenditure authority of \$405 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011
- **Highway Patrol** – The budget authority for capital outlay is not changing in total; however, changes are being recommended within this area by shifting a net other fund expenditure authority of \$134,045 for motor vehicles. This authority will be used to purchase 5 more vehicles bringing the total vehicles to be replaced in FY 2011 to 34 (4 of which will be purchased with federal funds).

- Accident Records – The Governor’s recommended increase in the employer paid portion of the state health insurance plan is \$2,735 in federal fund expenditure authority and \$456 in other fund expenditure authority.
- Accident Records – The Governor is recommending a decrease in federal fund expenditure authority of \$139 and in other fund expenditure authority of \$35 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.
- Highway Safety – The Governor’s recommended increase in the employer paid portion of the state health insurance plan is \$1,031 in federal fund expenditure authority and \$275 in other fund expenditure authority.
- Highway Safety – The Governor is recommending a decrease in federal fund expenditure authority of \$35 and in other fund expenditure authority of \$28 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.
- State Radio – The Governor’s recommended increase in the employer paid portion of the state health insurance plan is \$8,091 in general fund expenditure authority.

<u>REVENUES</u>				
	Actual	Actual	Estimated	Estimated
	FY08	FY09	FY10	FY11
Sale of Highway Patrol Vehicles	213,342	46,217	46,000	46,000
Highway Patrol Equipment/Misc. Sales	33,711	46,767	46,000	46,000
Fleet and Equipment Damage Recovery	54,099	44,361	45,000	45,000
Permit Sales	3,920,423	4,170,447	4,190,000	4,190,000
Sale of Accident Reports	23,550	30,369	30,369	30,369
Motorcycle Registrations Fees	417,445	480,662	480,662	480,662
Interest Received - Motorcycle Registrations	7,775	12,096	12,096	12,096
Total	4,670,345	4,830,919	4,850,127	4,850,127

<u>SELECTED STATISTICAL DATA</u>				
	Actual	Actual	Estimated	Estimated
	FY08	FY09	FY10	FY11
Patrol of Public Highways (Hours)	124,763	130,503	135,000	140,000
Enforcement Activity				
DWI	2,767	2,523	2,674	2,800
Warnings Issued	60,233	71,040	74,590	76,725
Total Citations Issued	46,026	46,043	48,345	49,425
Bus Inspections (Hours)	1,603	1,539	1,540	1,540
Safety Education Hours	3,832	4,238	4,275	4,275
Drug Related Arrests:				
Felony	333	283	300	300
Misdemeanor	2,161	1,996	2,000	2,000
Stationary/Mobile Port Activity:				
Trucks Checked	686,693	610,143	620,000	620,000
Total Miles Driven All Operations	4,701,364	4,411,695	5,100,000	5,600,000
Crash Reports Processed	15,341	16,264	16,621	16,954
Fatal Crashes Processed	108	102	105	110
Highway Safety Projects Funded	113	115	103	120
Motorcycle Safety Courses Offered	344	340	374	411
Motorcycle Riders Trained	2,151	2,252	2,477	2,724
State Radio Contacts	231,759	500,544	550,000	578,000

Emergency Services and Homeland Security

The mission of Emergency Services is to provide for the safety of the public by assisting state and local governments with improving their capability to prevent, prepare for, respond to, and recover from an emergency or disaster event by training firefighters, ambulance personnel, and other emergency management and public safety personnel; reviewing building plans; inspecting facilities for life safety requirements; investigating fires; coordinating a state response to an emergency or disaster situation; and providing preparedness and recovery information to local governments and South Dakota citizens.

The mission of Homeland Security is to lead the effort in keeping South Dakota free from any acts of terrorism by coordinating an extensive information sharing network between all levels of government and local officials; by assisting city, county, and tribal governments with an ongoing assessment of their jurisdictions to determine their anti-terrorism needs; and by managing anti-terrorism Homeland Security grants to assist city, county, and tribal governments with the acquisition of resources needed to both prevent acts of terrorism and to respond and recover should one occur.

The Division of Emergency Services and Homeland Security includes: Emergency Management, Emergency Medical Services, the State Fire Marshal, and the Office of Homeland Security.

The Governor recommends a total appropriation of \$18,027,101 and 35.5 FTEs for the Division of Emergency Services & Homeland Security for FY 2011. This dollar amount consists of \$1,509,027 from the general fund, \$16,231,075 in federal funds, and \$286,999 in other funds. The Governor's recommendation is an increase from FY 2010 in general funds of \$5,652 (0.4%), in federal funds of \$7,308, and a decrease in other funds of \$21,767 (7.0%). The Governor's recommendation for FTEs is a decrease of 1.0 FTE from FY 2010.

Item	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	1,622,086	2,348,584	2,353,584	2,322,121	(26,463)	(1.1%)
Travel	190,942	316,442	316,442	316,442	-	0.0%
Contractual Services	1,353,643	1,757,945	1,777,945	1,775,601	17,656	1.0%
Supplies & Materials	140,267	224,352	224,352	224,352	-	0.0%
Grants And Subsidies	10,712,981	12,963,846	12,963,846	12,963,846	-	0.0%
Capital Outlay	141,418	424,739	424,739	424,739	-	0.0%
Other	-	-	-	-	-	0.0%
Total	14,161,337	18,035,908	18,060,908	18,027,101	(8,807)	(0.0%)
Funding Types						
General	1,438,116	1,503,375	1,503,375	1,509,027	5,652	0.4%
Federal	12,537,928	16,223,767	16,223,767	16,231,075	7,308	0.0%
Other	185,293	308,766	333,766	286,999	(21,767)	(7.0%)
Total	14,161,337	18,035,908	18,060,908	18,027,101	(8,807)	(0.0%)
FTE	30.8	36.5	36.5	35.5	(1.0)	(2.7%)

Budget Notes

- Emergency Management - The Governor recommends a decrease of \$47,098 in other fund expenditure authority for personnel services and 1.0 FTE. This decrease is due to underutilized FTE hours in Emergency Management.

- Emergency Management - The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$2,106 in general fund expenditure authority, \$4,997 in federal fund expenditure authority and \$338 in other fund expenditure authority.
- Emergency Management - The Governor is recommending a decrease in general fund expenditure authority of \$450, in federal fund expenditure authority of \$1,578, and in other fund expenditure authority of \$7 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.
- Emergency Medical Services - The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$1,710 in general fund expenditure authority.
- Emergency Medical Services - The Governor is recommending a decrease in general fund expenditure authority of \$73 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.
- Fire Marshal – The Governor is recommending an increase in other fund expenditure authority of \$5,000 for personal services. This increase is due to HB1280 which was passed during the 2009 Legislative Session. This bill created legislation regulating the sale of fire safe cigarettes and will require testing efforts from the Fire Marshal's office when the legislation takes effect on 1/1/11. These expenses will be paid from fire safe cigarette registration fees.
- Fire Marshal – The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$2,495 in general fund expenditure authority, and \$390 in federal fund expenditure authority.
- Fire Marshal – The Governor is also recommending an increase in other fund expenditure authority of \$20,000 for contractual services. This increase is also due to HB1280 which was passed during the 2009 Legislative Session. The requested increase is for inspection costs related to monitoring fire safe cigarette standards when the legislation takes effect on 1/1/11. These expenses will be paid from fire safe cigarette registration fees.
- Fire Marshal – The Governor is recommending a decrease in general fund expenditure authority of \$136 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.
- Homeland Security - The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$3,599 in federal fund expenditure authority.
- Homeland Security - The Governor is recommending a decrease in federal fund expenditure authority of \$100 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

REVENUES				
	Actual	Actual	Estimated	Estimated
	FY08	FY09	FY10	FY11
Ambulance Service Licenses	1740	72	1800	50
EMT Patches & DNR Bracelets	4,618	2,432	4,000	4,000
Fireworks Licenses	67,075	69,075	65,000	65,000
Boiler Certification and Inspection Fees	187,953	161,370	175,000	170,000
Firesafe Cigarette Registration Fees	0	0	0	150,000
Total	261,386	232,949	245,800	389,050

SELECTED STATISTICAL DATA				
	Actual	Actual	Estimated	Estimated
	FY08	FY09	FY10	FY11
Emergency Management:				
On-Site Assistance/Counties Visited	264/66	264/66	264/66	264/66
Duty Officer Calls	502	390	400	400
Emergency Medical Services:				
Newly Trained EMTs:				
Basic	428	469	475	475
Intermediate	54	41	50	50
Paramedic	76	35	45	45
EMT's Recertified:				
Basic	985	1,117	1,100	1,100
Intermediate	218	207	225	225
Paramedic	336	321	340	340
Ambulance Services Licensed:				
Ground/Air/Out-of-State	126/6/15	127/6/17	127/6/17	127/6/17
Fire Marshal:				
Fire Investigations	67	72	70	70
Schools Inspected	201	217	249	233
Fireworks Licenses	374	378	375	378
Boiler Inspections/Insurance	1,868	1,835	2,000	2,000
Boiler Inspections/State	2,050	2,050	2,050	2,050
Firefighter Classes/Firefighters Trained	450/6,700	455/6,825	450/7,000	450/7,000
Firesafe Cigarette Registration	0	0	0	100

Inspection and Licensing

To make South Dakota highways safe by ensuring only qualified drivers are licensed to drive; to keep South Dakota safe by ensuring secure South Dakota driver license and identification documents are issued based upon legitimate identification documents; to protect the health, safety, and economic interests of citizens by providing a consolidated manpower pool and expertise to allow efficiencies of required inspections for state agencies; and by enforcing laws governing weighing and measuring devices. The Inspection and Licensing Division includes Weights and Measures, Driver Licensing, and Inspections.

The Governor recommends a total appropriation of \$7,314,034 and 90.5 FTEs for the Division of Inspection and Licensing for FY 2011. This dollar amount consists of \$665,579 from the general fund and \$6,648,455 in other funds. The Governor's recommendation is an increase from FY 2010 in general funds of \$548 (0.1%) and in other funds of \$519,089 (8.5%). The Governor also recommends 90.5 FTEs, which is the same as FY 2010.

Item	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
	FY09	FY10	FY11	FY11	FY11	From FY10
Personal Services	3,456,892	3,772,126	3,772,126	3,804,040	31,914	0.8%
Travel	433,059	466,754	466,754	466,754	-	0.0%
Contractual Services	1,523,756	2,229,879	2,718,072	2,717,602	487,723	21.9%
Supplies & Materials	174,371	259,183	259,183	259,183	-	0.0%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	21,410	66,455	66,455	66,455	-	0.0%
Other	-	-	-	-	-	0.0%
Total	5,609,488	6,794,397	7,282,590	7,314,034	519,637	7.6%
Funding Types						
General	586,368	665,031	665,031	665,579	548	0.1%
Federal	39,020	-	-	-	-	0.0%
Other	4,984,100	6,129,366	6,617,559	6,648,455	519,089	8.5%
Total	5,609,488	6,794,397	7,282,590	7,314,034	519,637	7.6%
FTE	86.2	90.5	90.5	90.5	-	0.0%

Budget Notes

- Weights and Measures - The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$574 in general fund expenditure authority.
- Weights and Measures - The Governor is recommending a decrease in general fund expenditure authority of \$26 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.
- Driver Licensing - The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$22,348 in other fund expenditure authority.
- Driver Licensing - The Governor is recommending a decrease in other fund expenditure authority of \$374 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011
- Driver Licensing - The Governor recommends an increase of \$488,193 in other fund expenditure authority for contractual services. This increase is due to the driver license issuance contract, which will expire in FY 2010. A new contract has been entered into and the new cost per card is \$5.586 effective December 31, 2009. The cost of the contract per card was \$1.46 per

card issued from 1990 until June of 2008. At that time, the cost per card was increased to \$1.58 per card to extend the current contract and work on an RFP for a new system. The Driver Licensing program will issue approximately 226,000 driver license and ID cards in FY 2011. The cost per card increased on December 31, 2009. This expenditure authority was already increased in FY 2010 by \$423,743 to cover 5 months of the new contract. Now with the increase recommended for FY 2011 the total amount budgeted for microfilm & photography for the issuance of driver license and ID cards will be \$1,262,436 (226,000 x \$5.586) in FY 2011.

- Driver Licensing - During the 2009 Legislative Session, SB32 was passed which increased certain fees related to the use of motor vehicles with a July 1, 2009, effective date. The most notable of these increases was license renewal fees which changed from \$8 to \$20. It is anticipated that this increase will generate an additional \$1.9 million in revenue per fiscal year. Other fees that were increased include: duplicate license fees; commercial license and renewals fees; fees for the commercial driver license endorsement knowledge tests that are administered; license reinstatement fees after a revocation, suspension, or disqualification; motor vehicle report fees; and motor vehicle registration fees. In total, these fee increases will generate an estimated \$4.2 million in new revenue per fiscal year. The fees collected are deposited into the State Motor Vehicle Fund which is used to administer the state motor vehicle and driver functions. The fee increases will help contribute to the operating costs of the Highway Patrol and Drivers Licensing Program. By statute, any excess cash in the State Motor Vehicle Fund at the end of each fiscal year, less an amount needed to provide cash flow, is transferred to the Local Government Highway and Bridge Fund. During the 2009 Legislative Session, the DPS, in response to JCA questions, commented that it is anticipated there will be excess cash for this transfer at the end of FY 2010. The estimated amount of the transfer is not known at this time.
- Driver Licensing – During this past interim, the JCA appointed a Sub-committee on Driver Licensing to examine issues related to the closing of 15 driver licensing exam stations in South Dakota effective October 1, 2009. The 15 driver licensing exam stations were located in the following towns: Britton, Howard, Tyndall, Parkston, Salem, Freeman, Canton, Flandreau, Clark, Clear Lake, De Smet, Deadwood, Platte, Philip, and Beresford. The sub-committee's final report is located at:
<http://legis.state.sd.us/interim/2009/RelatedDocuments.aspx?KeywordID=108>
- Inspections – The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$8,992 in other fund expenditure authority.
- Inspections – The Governor is recommending a decrease in other fund expenditure authority of \$70 for operating expenditures. This decrease is for the state owned space billing rates from BOA projected in FY 2011.

REVENUES				
	Actual	Actual	Estimated	Estimated
	FY08	FY09	FY10	FY11
General Fund:				
Heavy Scales	93,044	106,409	122,071	122,071
Small Scales, Gas Pumps, and Meters	83,686	163,686	208,208	208,208
Service Agencies	5,188	6,362	7,952	7,952
Metrology Lab	13,137	17,836	21,670	21,670
Motor Vehicle Fund:				
Operators License Applications	2,513,258	2,061,852	5,081,808	5,081,808
Abstract of Driving Records	2,123,688	2,120,726	2,653,688	2,653,688
Service Charge--NSF Checks/Statistical Reports	4,650	2,987	2,987	2,987
Reimbursements/Dividends	42,942	1,305	1,305	1,305
Driver Record Requests	0	99	100	100
State Inspection Fund:				
Inspection Billings	1,337,966	1,351,005	1,611,000	1,681,500
Investment Council Interest	7,074	11,263	10,000	10,000
Total	6,224,633	5,843,530	9,720,789	9,791,289

SELECTED STATISTICAL DATA				
	Actual	Actual	Estimated	Estimated
	FY08	FY09	FY10	FY11
Weights and Measures:				
Livestock/Other Scales--Special Requests	86/1,247	91/1,195	91/1,195	91/1,195
Retail Scales, Pumps, Meters	7,337	9,569	9,569	9,569
Inspections for Other Agencies:				
Inspections for DOE/DSS/Lottery	1,124/810/17,998	1,155/761/20,118	1,300/900/21,000	1,300/900/21,000
Inspections for DOH/DOA	6,655/2,211	7,130/2,014	8,000/2,155	8,000/2,155
Driver Licensing:				
Identification Cards/Licenses Issued	21,893/195,900	21,939/150,056	22,000/204,000	22,000/204,000
State Agency Requested ID Cards	1,147	924	924	924
Abstracts of Driving Records	527,793	526,865	527,000	527,000
Alcohol-Related Offenses	15,750	14,569	15,000	15,000
Other Offenses/Actions	89,281	94,252	95,000	95,000
Hearings	439	270	300	300
Suspension for Unpaid Fines	19,881	18,450	18,450	18,450

A. Budget Transfers (FY09 and FY10 year-to-date):

There were two material budget transfers in FY 2009 and FY 2010 year-to-date.

In FY 2009 the department transferred \$54,000 in general funds and \$1,020,000 in other fund expenditure authority within the Highway Patrol. This was a one-time transfer of funds from personal services to operating expenses. The transfer was to facilitate the purchase of equipment for the Highway Patrol. The general funds and other fund expenditure authority was available due to vacancies.

In FY 2010 the department transferred \$1,007,700 in federal fund expenditure authority from Emergency Services and Homeland Security to Inspection and Licensing. This was a one-time transfer involving both personal service and operating expenses. The federal fund expenditure authority transferred will be used for federal Department of Homeland Security (DHS) and Federal Motor Carrier (FMCSA) grants awarded to the Driver Licensing program. The federal fund expenditure authority was available due to budgeting anticipated DHS grants within the Homeland Security program.

B. Past Committee Questions:

Provide an update on the Homeland Security funds as to where the dollars have been spent and a breakdown by community. (This information is provided on Tab 17 - pages 15 and 16)

Homeland Security Information

The US Department of Homeland Security awards Homeland Security funds to states to protect communities against acts of terrorism through the Homeland Security Grant Program. These grants have a three year period of performance and have been earmarked specifically for projects that enhance public safety.

The Homeland Security Grant Program does not require matching funds. This grant is an 80/20 split program meaning 80% of the funds must be awarded to local jurisdictions and the state may retain 20% of the grant. The grant is awarded by the Office of Homeland Security to local and tribal jurisdictions using a base award and population based formula.

The 80% of the grant is awarded to regions comprised of a group of counties, and to individual tribal governments. The regions are managed by a lead county from within the group. The regions are listed below with the highlighted county being the lead county:

- Region 1** -- Bennett, Custer, Fall River, Haakon, Jackson, **Pennington**, & Shannon
- Region 2** -- Butte, Corson, Dewey, Harding, Lawrence, Meade, **Perkins**, & Ziebach
- Region 4** -- Brule, Buffalo, Charles Mix, Gregory, Hand, **Hughes**, Hyde, Jones, Lyman, Mellette, Potter, Stanley, Sully, Todd, & Tripp
- Region 5** -- Aurora, Bon Homme, **Davison**, Douglas, Hanson, Hutchinson, Miner, & Yankton
- Region 6** -- **Beadle**, Brown, Campbell, Edmunds, Faulk, Jerauld, McPherson, Sanborn, Spink, & **Walworth**
- Region 7** -- Clark, **Codington**, Day, Deuel, Grant, Hamlin, Kingsbury, Marshall, & Roberts
- Region 8** -- Clay, Brookings, Lake, Lincoln, McCook, **Minnehaha**, Moody, Turner, & Union

*****Counties in bold are the lead counties for the region.**

The Homeland Security grant is managed in accordance with guidelines and priorities established by the US Department of Homeland Security. The program also solicits additional recommendations from the South Dakota Homeland Security Senior Advisory Committee.

The Office of Homeland Security provides local and tribal stakeholders with allowable funding areas. The local and tribal officials then determine, based on local capabilities and need, the specific priorities for their communities and decide how these local grant funds will be used. The Office of Homeland Security reviews all requests to ensure they meet specified compliance criteria before expenditures are made. The Office of Homeland Security further conducts monitoring visits with local jurisdictions on an annual basis to ensure compliance.

For federal grant year 2008, the Office of Homeland Security was awarded \$6,302,235 for the Homeland Security Grant Program. The 2008 grant focuses primarily on risk-based initiatives and capability based planning. The risk-based and capability based initiatives include a focus on achieving the National Preparedness Guidelines, strengthening improvised explosive device attack deterrence, prevention and protection capabilities, and strengthening preparedness planning. The funding levels for the 2008 grant are as follows:

**HOMELAND SECURITY GRANT PROGRAM
FFY 2008 ALLOCATION**

1 - Pennington Region- \$680,505	Rosebud Sioux Tribe- \$44,706
2 - Perkins Region- \$377,581	Lower Brule Sioux Tribe- \$17,212
4 - Hughes Region- \$441,665	Yankton Sioux Tribe- \$22,476
5 - Davison Region- \$397,977	Cheyenne Sioux Tribe- \$38,194
6 - Beadle Region- \$585,030	Standing Rock Sioux Tribe- \$22,044
7 - Codington Region- \$524,352	Santee Sioux Tribe- \$14,416
8 - Minnehaha Region- \$1,791,115	Sisseton/Wahpeton Sioux Tribe- \$23,985
Crow Creek Sioux Tribe- \$18,756	State of SD Planning/Admin.- \$419,560
Oglala Sioux Tribe- \$68,221	State of SD Equipment- \$814,440

For federal grant year 2009, the Office of Homeland Security was awarded \$6,524,500 for the Homeland Security Grant Program. The 2009 Department Homeland Security Grant initiatives focus primarily on information analysis and dissemination, cyber-security, interoperable communications, and critical infrastructure protection. The risk-based and capability based initiatives continue to include a focus on achieving the National Preparedness Guidelines, strengthening improvised explosive device attack deterrence, prevention and protection capabilities, and strengthening preparedness planning. The funding levels for the 2009 grant are as follows:

**HOMELAND SECURITY GRANT PROGRAM
FFY 2009 ALLOCATION**

1 - Pennington Region- \$674,822	Rosebud Sioux Tribe- \$41,234
2 - Perkins Region- \$372,142	Lower Brule Sioux Tribe- \$16,410
4 - Hughes Region- \$395,571	Yankton Sioux Tribe- \$21,161
5 - Davison Region- \$392,464	Cheyenne Sioux Tribe- \$35,355
6 - Beadle Region- \$578,184	Standing Rock Sioux Tribe- \$20,775
7 - Codington Region- \$518,237	Santee Sioux Tribe- \$13,886
8 - Minnehaha Region- \$1,356,891	Sisseton/Wahpeton Sioux Tribe- \$22,527
Crow Creek Sioux Tribe- \$17,806	State of SD Admin.- \$391,470
Oglala Sioux Tribe- \$62,466	State of SD Equipment- \$587,205
Local PTE*- \$679,669	State of SD PTE*- \$326,225

*PTE is an abbreviation for Planning/Training/Exercise

C. Letters of Intent:

There were no Letters of Intent for FY 2010.

D. General Fund Reversions:

The Department of Public Safety reverted \$271 in general fund authority at the end of FY 2009. Of this amount, \$207 was for personal services and \$64 was for operating expenditures.

E. Selected Condition Statements:

A copy of the State Highway Fund condition statement is included with the Department of Transportation's Budget Brief.

DEPARTMENT OF PUBLIC SAFETY MOTOR VEHICLE FUND CONDITION STATEMENT (3177)				
	ACTUAL FY2008	ACTUAL FY2009	PROJECTED FY2010	PROJECTED FY2011
TOTAL RECEIPTS	\$4,691,458	\$4,186,973	\$8,451,550	\$8,866,550
TOTAL DISBURSEMENTS	\$4,885,159	\$4,534,736	\$6,542,787	\$9,211,684
NET (Receipts less Disbursements)	(\$193,702)	(\$347,763)	\$1,908,763	(\$345,134)
BEGINNING CASH BALANCE	\$1,305,480	\$1,111,778	\$764,015	\$2,672,778
ENDING CASH BALANCE	\$1,111,778	\$764,015	\$2,672,778	\$2,327,644