

# **SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL**

## **FISCAL NOTE, 2017 LEGISLATIVE SESSION**

### **FISCAL NOTE 2017-SB65A**

SB 65 establish the South Dakota Board of Technical Education and to revise certain provisions regarding career and technical education and postsecondary technical institutes.

Section 2 creates the Board of Technical Education (Board), which will consist of nine members. Section 8 states that each member will be paid per diem and allowable expenses for each member's service pursuant to SDCL 4-7-10.4. This Board would be considered a policy making board, which receives a per diem of \$75. SB65 does not state how many meetings the Board must hold each year. However, the Department of Education (DOE) estimates that the Board would hold five meetings annually. Additionally, the DOE estimates that the cost of travel would be \$250 per member per meeting, and the cost of supplies and materials would be \$300 per meeting. The total annual cost for the Board is estimated to be \$16,125.

Per Diem for Board Members	\$3,375
Board Member Travel Expenses	\$11,250
Supplies and Materials	\$1,500
Total Board Expenses	\$16,125

Section 10 also allows the Board to hire an executive director. According to the Bureau of Human Resources, the market salary for an executive director is \$58,777. When fixed and variable benefit costs are added, the total personal services cost is \$75,252. In addition, this employee would be reimbursed for travel expenses related to attending Board meetings. Using the previous estimate of \$250 per meeting, the travel expenses for this position are estimated to be \$1,250. Therefore, if the Board chooses to employ an executive director, the total annual cost would be \$76,502.

The total estimated cost of SB65, including expenses of the Board and the executive director, is \$96,627.

APPROVED BY: /s/ Jason Hancock DATE: 2/14/2017