

South Dakota Legislative Research Council

Issue Memorandum 97-3

A Summary of the Fiscal Year 1998 General Appropriations Act

Introduction

The Legislature's General Appropriations Act (also referred to as the General Bill) appropriates money for the ordinary expenses of the executive, legislative, and judicial departments of the state. This issue memorandum will review the Fiscal Year (FY) 1998 General Appropriations Act and explain some of the major increases or decreases when compared with the FY 1997 General Appropriations Act.

The Numbers

The FY 1998 General Bill appropriates money to 24 state agencies and 189 programs within those agencies. Attachment 1 is a table titled Departmental Appropriations appears at the end of this issue memorandum. The table compares the funds appropriated to each of the 24 departments in the FY 1998 General Bill with each department's appropriation in the FY 1997 General Bill. An explanation of some of the larger increases or decreases in the FY 1998 General Bill follows.

Department of Executive Management - The three percent across-the-board salary increase for

state employees within the Executive Branch is one reason for the large increase in this department's FY 1998 appropriation when compared to FY 1997. There was no across-the-board salary increase for state employees in the FY 1997 general bill.

Department of Game Fish and Parks - Most of the increase for this department's budget can be attributed to the Wildlife Division (additional revenue from an increase in various nonresident license fees) and the Parks and Recreation Division (acquiring additional recreation areas on the Missouri River, restoration of Fort Sisseton, and work on the Mickelson Trail).

South Dakota Lottery - The reduction in the FY 1998 appropriation for this department eliminated excess other fund expenditure authority.

Department of Social Services - This department experienced a sizable increase in federal fund expenditure authority in order to accommodate federal welfare reform mandates.

Department of Transportation - The large decrease in full time

equivalents (FTE) for the FY 1998 appropriation is because the department was reorganized by the Governor.

Department of Education and Cultural Affairs - An increase in State Aid to Education is one of the reasons for the large increase in this department's budget. The Legislature also approved a new program called Wiring Schools.

Department of Commerce and Regulation - A new program in the SD Housing Development Authority called Transitional Housing is the main reason for the increase in this department's budget. The program provides smaller, reasonably priced homes to seniors who wish to sell their larger homes. The Highway Safety division eliminated excess federal fund expenditure authority.

Board of Regents - This budget received increases for the across-the-board salary policy and improvements in the technology infrastructure. The reason for the large reduction in this budget is elimination of excess federal and other fund expenditure authority.

Department of Corrections - One of the reasons for the increase in this department's budget is the new women's prison in Pierre. The budget for the juvenile corrections program also received an increase for FY 1998. The FY 1997 budget for the juvenile corrections program contained funding for only three quarters of a fiscal year. The FY 1998 budget contains funding for twelve months.

Department of Human Services -

The reduction in this department's budget is attributed to budget cuts and FTE reductions at the Human Services Center in Yankton and the SD Developmental Center in Redfield. These reductions were a result of implementing task force recommendations.

Unified Judicial System - This department's budget was increased for the across-the-board salary adjustment, an additional circuit court judge, and statutory raises for supreme court and circuit court judges.

Supporting and Supplemental Information

Chapter B in the *Legislator Briefing Book* contains background material on the General Appropriations Act and the appropriation process. The *Letters of Intent Booklet* (assembled by the Legislative Research Council) and the *Budget in Brief* (prepared by the Bureau of Finance and Management) both provide documentation and supplemental data relating to the FY 1998 General Appropriations Act and the FY 1998 state budget. Chapter 4-7 of the South Dakota Codified Laws contains the statutory requirements for preparing and adopting the state budget.

The fiscal staff of the Legislative Research Council is always available for questions relating to the FY 1998 General Appropriations Act and the FY 1998 state budget. Attachment 2 lists each member of the Legislative Research Council fiscal staff and their respective agency assignments. The attachment is included at the end of this issue memorandum.

This issue memorandum was written by David Becker, Senior Fiscal Analyst for the Legislative Research Council. It is designed to supply background information on the subject and is not a policy statement made by the Legislative Research Council.
