

INFORMATION AND TELECOMMUNICATIONS AGENCY REVIEW COMMITTEE

Study Assignment

An agency review of the Bureau of Information and Telecommunications, pursuant to SDCL 1-26E-2.

Summary of Interim

The first meeting of the interim Bureau of Information and Telecommunications Agency Review Committee was held on Tuesday, June 15, 2004, at the State Capitol Building in Pierre, South Dakota. Chairman Putnam distributed a letter from the Executive Board of LRC that directed the committee to "undertake an analysis of the digitization of South Dakota Public Broadcasting" in addition to the sunset process. Following other opening remarks by the chair and vice-chair, the entire committee toured the State Radio Center and the Data Center. The meeting reconvened and Mr. Reuben Bezpaletz, Chief Analyst for Research and Legal Services, Legislative Research Council, reviewed an outline of a typical study plan for interim sunset committees and gave a historical perspective of the sunset process.

Commissioner Otto Doll began the Bureau of Information and Telecommunications presentation and discussed with the committee the bureau's mission, strategic plan, and responsibilities. Ms. Julie Anderson, Public Broadcasting Director, gave a brief history of public broadcasting in South Dakota, explained the oversight of SDPB, and provided budget information within the division. Mr. Jerry Gooding, Data Center Director explained that the Data Center manages and operates the state's production systems. Mr. Gooding also discussed the charge-back mechanisms used to fund the Data Center and the rest of BIT. Mr. Jim Edman, Network Technologies Manager, stated that the Telecommunication Division's goal is to provide an efficient and high level of customer service for voice, video, and data telecommunications. The division's responsibilities and services are engineering, network technologies, and local area network (LAN) services and are provided to the executive, legislative, and judicial branches, the constitutional offices, K-12 schools, the Board of Regents, municipalities, counties, the federal government, and tribal schools. Ms. Denise Luckhurst, Development Director, explained that Development writes the applications that run on the platforms and networks, the steps involved with programming requests, and development rates compared to other states. Commissioner Doll concluded the presentation with a discussion about the evolution of BIT, the history of BIT's budget, state and federal statutes required by the central service agency, and the IT decision making process.

The second meeting of the interim Bureau of Information and Telecommunications Agency Review Committee was held on Monday, August 16, 2004, at the State Capitol Building in Pierre, South Dakota. Chairman Putnam summarized the direction in which the Executive Board wished the committee to proceed which includes the analysis of the digitization of South Dakota Public Broadcasting and the sunset process.

Commissioner Doll began his presentation by referring to the questions submitted to him at the June 15, 2004 meeting. Some of the topics discussed were tower leases, tower maintenance costs, the Senior IT Committee, and contracts.

The main focus of the second meeting was to hear testimony about South Dakota Public Broadcasting (SDPB) and the conversion to digital television. Commissioner Doll and Julie

Anderson, Public Broadcasting Director briefed the committee on the federal mandate for switching SDPB from analog to digital including conversion costs, maintenance costs, and how it will effect the consumer. Mr. John Lawson, President of the Association of Public Television Stations, discussed what Congress is doing for the digital conversion in regards to funding and mandate guidelines. Mr. Rod Bates, President of Nebraska Educational Television, discussed the similarities and differences between Nebraska and South Dakota in terms of funding and plans for digital television. Mr. Jack Hanson, former General Manager of KSFY, gave insight to what this federal mandate has meant to commercial broadcasting stations. The public testimony concluded with Ms. Glenda Woodburn testifying on behalf of the South Dakota Board of Directors for Educational Telecommunications and Ms. Sue White testifying on behalf of the Friends of Public Broadcasting.

The third meeting of the interim Bureau of Information and Telecommunications Agency Review Committee was held on Monday, October 4, 2004, at the State Capitol Building in Pierre, South Dakota. Commissioner Doll discussed the TV Survey compiled by the Business Research Bureau. The survey showed that approximately 300,000 people watch South Dakota Public Television (SDPTV). Commissioner Doll explained the various methods of receiving the signal that enable a person to view SDPTV programs; they are cable, satellite, or using an outdoor antenna.

The committee discussed BIT's policy for discarding old or outdated equipment, the credits or savings that BIT has received through industry level service agreements, a comparison of IT spending in other states, and project requests reviewed by the Senior IT Committee.

Commissioner Doll briefed the committee on three issues that BIT may want to address in the future. The first two issues deal with cleanup legislation for the State Radio System and the Rural Development Telecommunications Network (RDTN). The last issue was more of a policy change whereas BIT would begin to offer services to non-profits and tribes.

At this time discussions will include an evaluation of BIT, committee suggestions or directives to BIT, and the final report of committee findings which will be submitted to the Executive Board.

The fourth and final meeting of the interim Bureau of Information and Telecommunications Agency Review Committee was held on Friday, November 5, 2004, at the State Capitol Building in Pierre, South Dakota.

Commissioner Doll distributed and discussed a handout concerning BIT statutes that should be cleaned up. He proposed that since the Rural Development Telecommunications Network (RDTN) was replaced by the Digital Dakota Network (DDN) in the late 1990's and because the Rural Development Telecommunications Board was now defunct, that the RDTN be replaced by the DDN and that the statutes regarding the defunct board be repealed.

Commissioner Doll also proposed that since BIT has accomplished the creation of the statewide Radio System and the move of the dispatch centers to the Department of Public Safety, the language seeking a plan for integrated telecommunications functions and facilities should be repealed.

Both proposals were drafted and adopted into the final report.

Mr. Olson presented a brief comparison of BIT with the Michigan Department of Information Technology and the Virginia Information Technologies Agency.

The meeting concluded with committee discussion and directives to BIT. The committee directed BIT to continue to work with bordering states to provide educational and emergency broadcast services. The committee also requested that BIT provide, to the Legislative Research Council, a quarterly summary of projects that the Senior IT committee has reviewed for a two year period that show how the money is being spent.

The committee recommends to the Executive Board that the Bureau of Information and Telecommunications be continued; having found the bureau met the burden of establishing sufficient public need is present to justify its continued existence.

Listing of Legislation Adopted

- An act to revise certain references to the Rural Development Telecommunications Network language with appropriate references to the Dakota Digital Network.
- An act to repeal certain obsolete provisions relating to a plan for integrated telecommunications functions and facilities.

Summary of Meeting Dates & Places and Listing of Committee Members

The committee met on June 15, August 16, October 4, and November 5 in the State Capitol in Pierre.

Committee members were: Representative J.E. "Jim" Putnam, Chair, Senator John Koskan, Vice Chair; Senators Jerry Apa and Dick Kelly, Representatives Mike Buckingham, Tom Hackl, Elizabeth Kraus, Gordon Pederson, Donna Schafer, David Sigdestad, and Paul Valandra.

Staff members were: Aaron Olson, Fiscal Analyst; Kris Schneider, Legislative Secretary; and Reta Rodman, Legislative Secretary.