



MINUTES

Executive Board

**First Meeting
2010 Interim
April 19, 2010**

**Room 413
State Capitol
Pierre, South Dakota**

The first 2010 interim meeting of the Legislative Research Council Executive Board was called to order by Chair Senator Jean Hunhoff at 9:10 a.m. (CT), April 19, 2010, in Room 413 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senators Gene G. Abdallah, Dan P. Ahlers, Bob Gray, Jean M. Hunhoff (Chair), and Kathy Miles; and Representatives Quinten L. Burg (Ranking Minority Member), Justin Cronin, Shantel Krebs (Vice Chair), J.E. "Jim" Putnam, Tim Rave, Larry Tidemann, and Charles M. Turbiville. Senator Craig Tieszen and Representative Larry Lucas were excused.

Staff members present included James Fry, LRC Director; and Teri Retrum, Administrative Assistant.

(Note): For the purpose of continuity, these minutes are not necessarily in chronological order. Also, all material distributed at the meeting is attached to the original minutes on file in the Legislative Research Council (LRC). This meeting was web cast live. The archived web cast is available at the LRC web site at <http://legis.state.sd.us> under "Interim Information – Minutes and Agendas."

(Note): On Monday, April 19, 2010, the Executive Committee Subcommittee, chaired by Senator Jean Hunhoff, Chair of the Executive Board, met at 8:30 a.m.

Approval of Agenda

There being no changes to the agenda, **Chair Senator Jean Hunhoff** declared the agenda approved.

Election of new Executive Board Member

Due to the resignation of Senator Ryan Maher from the Executive Board, and at the direction of Chair Hunhoff, **Mr. Jim Fry**, LRC Director, informed the Board that SDCL 2-9-2 outlines the composition and terms of Executive Board members and the process to fill vacancies. In part, the statute states that ". . . any vacancy then occurring shall be filled by the remaining board members of that legislative body affected. . . ." Mr. Fry noted that Senator Scott Heidepriem, Minority Leader, recommended that Senator Garry Hanson be elected to the Board.

SENATOR ABDALLAH MOVED, SECONDED BY SENATOR MILES, TO NOMINATE SENATOR GARY HANSON AS A MEMBER OF THE EXECUTIVE BOARD. The motion prevailed on a voice vote.

SENATOR ABDALLAH MOVED, SECONDED BY SENATOR MILES, THAT NOMINATIONS CEASE AND THAT SENATOR HANSON BE ELECTED AS A MEMBER OF THE EXECUTIVE BOARD. The motion prevailed on a roll call vote with the eligible Senators unanimously voting to elect Senator Hanson as a member of the Executive Board: Abdallah, Ahlers, Gray, Miles, Hunhoff. Those EXCUSED: Senator Tieszen.

Director's Report

Mr. Fry addressed the results of the 2010 Survey of Legislators on LRC Services (**Document #1**). He reported that the legislators who responded were very pleased with LRC services. Mr. Fry commented that legislators are always welcome to bring forth any concerns they might have with the LRC.

Mr. Fry presented the financial statement for the period ending 4/9/10 (**Document #2**). He said that the budget is sufficient to make it to the end of the fiscal year. In FY 2009, \$126,000 was reverted. Due to cuts made to the FY 2010 budget, whether there is a reversion remains to be seen for FY 2010. Mr. Fry told the Board that nearly all legislative travel was cut from the budget on the last day of session.

Responding to a question posed by **Representative Tim Rave** concerning the costs of a special session, Mr. Fry said that it costs about \$32,000 to conduct a one-day special session—\$28,000 for each day thereafter.

Responding to a question from **Representative Larry Tidemann** regarding dues paid to national organizations, Director Fry informed Board members that dues to be paid to national organizations in FY 2011 include:

- National Conference of State Legislators, (\$110,000);
- Council of State Governments (\$85,000),
- Education Commission of the States (\$18,000—1/3 of the cost of dues—1/3 is paid by the Department of Education, the remaining 1/3 is paid by the Board of Regents; and
- Uniform Laws Commission (about \$16,000).

In response to **Representative J.E. "Jim" Putnam** regarding space planning, Mr. Fry directed the Board's attention to a list outlining meetings by room (**Document #3**).

Representative Rave asked whether there is a charge to use the meeting rooms. Mr. Fry said that the room charge was eliminated because the Executive Board determined that the fourth floor room renovation was paid by the taxpayers; therefore, there should not be a charge to use the rooms.

Representative Rave said that perhaps it is time to readdress the room charge issue because the Bureau of Administration and the Bureau of Information and Technology, and other state agencies, bill back to agencies for services that they provide.

Mr. Fry provided copies of an outline and agendas that LRC staff used to conduct the 2008 Legislator Orientation (**Document #4**). For the most part, Mr. Fry said that the intent is to follow this format for the 2010 orientation.

Representative Quinten Burg suggested that it would be beneficial to invite previous legislators who have not served in the Legislature for a number of years to provide their input. Representative Burg also said that he supports some type of legislative forum regarding legislative ethics, perhaps conducted by "Character Counts."

Mr. Fry said that such types of forums have been conducted in past years. He said that they are beneficial but is not sure whether there will be money available this year.

Chair Hunhoff asked Board member, **Representative Justin Cronin**, newly elected in 2008, for his thoughts regarding the new member orientation.

Representative Cronin responded that the orientation was viewed favorably. He said that there was so much information distributed, and a lot of the new members figured it out amongst themselves with the information received. Representative Cronin said that he would be willing to meet with small groups of new legislators to help them sort out the information and answer questions.

Representative Rave commented that perhaps the orientation should be revised to provide legislators with more hands-on experience since the majority of current legislators have less than four years of experience in the legislative process.

Mr. Fry said that among the materials provided is the "Legislative Reference Book," which provides much valuable information. Also, he commented that Legislators need to know that the rules set out in the "Official Directory and Rules of the South Dakota Legislature" (Red Book) matter to the legislative process and are designed for the orderly process of the Legislature.

Chair Hunhoff said that the Personnel Subcommittee will add discussion of the 2010 Legislator Orientation to its agenda. She said that the Personnel Subcommittee will meet before the June meeting.

At the request of Chair Hunhoff, Mr. Fry said that staff will provide an end-of orientation evaluation for legislators.

Also, Mr. Fry said that he will explore asking current and previous legislators to be mentors during orientation. A similar approach has been used in the past.

On the topic of legislative travel to national meetings, Representative Burg said that it might not be fair to ask a new-elected legislator to choose one national organization until the legislator knows more about each one.

Representative Rave expressed his opinion that the appointment of legislators to national organizations remains with the presiding officers of their respective legislative body. He commented that the officers do take into consideration input from legislative members and the minority leaders.

With the consensus of the Executive Board members, Chair Hunhoff directed that the appointment process remain at the discretion of the presiding officers.

Also, Chair Hunhoff directed staff to apprise new legislative members of national organizations to assess their interest in joining.

Discussion and Formulation of the FY 2011 Travel Policy

Senator Bob Gray said that the committee appointments will be driven by decisions regarding travel.

Regarding Executive Board travel, Representative Burg suggested starting meetings at 10:00 in the morning, thereby, allowing more members the latitude of being able to travel to Pierre and return home without staying overnight, thus, foregoing the cost of overnight lodging.

Representative Tidemann reminded the Board that the subcommittees of the Executive Board meet sometime before the May and June meetings.

Senator Gray suggested that the Board combine the agendas for the May and June meetings to constitute one meeting to be held in June.

SENATOR GRAY MOVED, SECONDED BY REPRESENTATIVE TIDEMANN, THAT THE EXECUTIVE BOARD COMBINE ITS MAY AND JUNE AGENDAS TO CONSTITUTE ONE MEETING TO BE HELD IN JUNE. The motion prevailed on a roll call vote with 13 voting AYE, and 2 EXCUSED. Those voting AYE: Abdallah, Ahlers, Gray, Hanson, Miles, Burg, Cronin, Krebs, Putnam, Rave, Tidemann, Turbiville, Hunhoff. Those EXCUSED: Tieszen and Lucas.

Public Testimony on Interim Study Requests

A packet of interim study materials was distributed to each board member and is on file with the Master Minutes as **Document #5**.

Ms. Joy Smolnisky, Director of the South Dakota Budget and Policy Project, spoke in support of a revenue review which includes a tax expenditure report. Ms. Smolnisky noted that, among the summer study choices, a group of topics could be combined to serve as a comprehensive revenue study. Those topics include: D, E, F, I, M, P, and S. (The narrative assigned to each letter appears in Document #5.)

Representative Putnam complimented Ms. Smolnisky on her remarks and asked for a written copy for the record. Ms. Smolnisky complied and distributed her written remarks (**Document #6**).

Mr. Smolnisky noted that 41 of 50 states compile tax expenditure reports, so there are models available for such a report.

Representative Tidemann commented that there are 46 states that are not doing well financially, and South Dakota is not in as much financial duress as they are, so he is not sure that South Dakota would want to look to the eastern or western states for financial advice.

The Department of Revenue and Regulation, the Bureau of Finance and Management, and others do a good job of explaining South Dakota's financial situation.

Representative Burg asked whether staff could develop an issue memorandum regarding some of these policies.

Mr. Fry responded affirmatively.

Board members expressed their appreciation to Ms. Smolnisky on her report.

The Board recessed at 10:30 a.m. and reconvened at 10:50 a.m.

Public Testimony on Interim Study Requests (Continued)

Ms. Connie Halverson, Voices for Children, spoke in support of Survey Letter K. Ms. Halverson said that poverty in South Dakota is much more pervasive than people think. She provided examples of how this affects every aspect of South Dakota's society. Ms. Halverson noted the Delta Dental Mobile Dental Clinic that provides services to the underprivileged in need of dental care in the state.

Representative Tidemann noted that the state provides about \$50,000 to the dental care program.

Responding to Chair Hunhoff, Ms. Halverson said that some patients seen at the mobile dental clinic are on Medicaid and some have no insurance. Ms. Halverson said that frustration has been expressed from personnel in dental clinics regarding patients receiving Medicaid, then going off Medicaid, then resuming Medicaid and being required to reconstitute the paperwork involved.

Mr. Buddy Seiner, South Dakota Head Start/Voices for Children, expressed support for studying Survey Letter K. Mr. Seiner said that Head Start not only provides services to children but also to their families by giving them the necessary tools and education on how to navigate all the details of the process of registering for certain programs to which they are entitled—set up medical and dental appointments, etc.

Board members thanked the people who appeared to testify on the interim study topics.

Selection of Interim Study Topics

Representative Shantel Krebs stated that, due to budget constraints, the Board should not choose interim studies other than the two agency reviews—Bureau of Administration and Department of Environment and Natural Resources—and choose some issues from the top ranked studies to be assigned to LRC staff for written issue memoranda.

At the direction of Chair Hunhoff, Director Fry explained that an issue memorandum is a research paper on a particular topic of interest. Staff presents the completed issue memorandum to the Executive Board at its November meeting for approval; then, it is distributed to all legislators and made available to the public on the Legislature's internet site.

Senator Gene Abdallah expressed support for Representative Krebs' idea; however, he said that the Board should at a minimum select Study Topic Q to study the potential creation of a Department of Veterans Affairs as a cabinet level department. Senator Abdallah said that the Legislature owes it to the veterans of South Dakota to study this issue and to provide a forum for them to express their concerns. The interim study committee could then, in turn, make a recommendation to the 2011 Legislature regarding the veterans' concerns.

Representative Tidemann said that he supports the idea of helping and providing services to veterans; however, due to the budget situation, and considering that the Department of Military and Veterans Affairs underwent an agency review study several years ago, he said that any such endeavor should wait for the new administration to address since it is an Executive Branch entity.

Senator Abdallah said that the issue should not be put off for another year.

Representative Burg suggested that the Board select Study Topic H—Interim Redistricting Preplanning Committee. He said that this topic was the number one ranked study topic. Representative Burg expressed his opinion that the Legislature should be proactive on this topic. He said that if it is not done this year, it will have to be done next year. Representative Burg recommended Study Topic H as the only study topic for the 2010 interim.

Chair Hunhoff asked Mr. Fry to distribute copies of the Health Reform Implementation Plan. Mr. Fry distributed **Document 7**.

The Legislature has been allowed two Senators and two Representatives—one from each party—to serve on the discussion of the plan.

Regarding voting rights of the group, Chair Hunhoff said that those would be up to the next administration to determine.

Representative Tidemann asked which office would be responsible for the expenses of the four legislators appointed—the Governor's Office, or the Legislature. Chair Hunhoff said that she would check on the situation.

REPRESENTATIVE PUTNAM MOVED, SECONDED BY REPRESENTATIVE KREBS, THAT THE EXECUTIVE BOARD REQUEST THE CAUCUS LEADERS TO SELECT THE MEMBERS TO SERVE ON THE DISCUSSION OF THE HEALTH REFORM IMPLEMENTATION PLAN—1 DEMOCRATIC SENATOR, 1 REPUBLICAN SENATOR; 1 DEMOCRATIC REPRESENTATIVE, AND 1 REPUBLICAN REPRESENTATIVE. The motion prevailed on a roll call vote with 13 voting AYE, and 2 EXCUSED. Those voting AYE: Abdallah, Ahlers, Hanson, Miles, Burg, Cronin, Krebs, Putnam, Rave, Tidemann, Turbiville, Hunhoff. Those EXCUSED: Gray, Tieszen and Lucas.

Mr. Fry distributed copies of the membership of the South Dakota Health Care Commission (**Document #8**).

The Executive Board recessed at 11:30 a.m. and reconvened at 12:40 p.m.

Selection of Interim Study Topics (Continued)

REPRESENTATIVE BURG MOVED, SECONDED BY SENATOR HANSON, THAT THE EXECUTIVE BOARD SELECT STUDY TOPIC H—INTERIM REDISTRICTING PREPLANNING COMMITTEE.

Representative Tidemann asked if this was something staff could accomplish without having a specific study at this time.

Mr. Fry said that staff work will begin in earnest when it has the data with which to work. The staff will review maps, boundaries, and compliance with the Voting Rights Act to develop several redistricting plans that would meet the criteria.

Representative Burg said that the Legislature should be proactive on the issue. Outside interest groups, and other members of the public should be involved.

Representative Krebs asked whether any staff has attended national meetings on the issue of redistricting.

Mr. Fry responded that staff will be going to at least one national meeting concerning redistricting, particularly in the Voting Rights Act realm.

The motion failed with 4 voting AYE, 9 voting NAY, and 2 EXCUSED. Those voting AYE: Ahlers, Hanson, Miles, and Burg. Those voting NAY: Abdallah, Gray, Cronin, Krebs, Putnam, Rave, Tidemann, Turbiville, and Hunhoff. Those EXCUSED: Tieszen and Lucas.

SENATOR ABDALLAH MOVED, SECONDED BY SENATOR MILES, THAT THE EXECUTIVE BOARD SELECT STUDY TOPIC Q—STUDY THE CREATION OF A DEPARTMENT OF VETERANS AFFAIRS AS A CABINET LEVEL DEPARTMENT.

Speaking as a Viet Nam veteran, Representative Turbiville said that he has been treated well. He expressed his opinion that the subject should be addressed by the new administration.

Senator Abdallah said that the issue has been contentious for several years, and the veterans deserve a hearing, at least.

The motion failed on a roll call vote with 5 voting AYE, 8 voting NAY, and 2 EXCUSED. Those voting AYE: Abdallah, Hanson, Miles, Burg, and Rave. Those voting NAY: Ahlers, Gray, Cronin, Krebs, Putnam, Tidemann, Turbiville, and Hunhoff. Those EXCUSED: Tieszen and Lucas.

SENATOR GRAY MOVED, SECONDED BY SENATOR AHLERS, THAT THE EXECUTIVE BOARD SELECT NO INTERIM COMMITTEE STUDIES OTHER THAN THE AGENCY REVIEWS OF THE BUREAU OF ADMINISTRATION AND DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES.

Representative Krebs expressed support for the motion and suggested that the Board consider addressing some of the topics in issue memo form.

Senator Abdallah said that he will support the motion; however, he still believed that Study Topic Q would be a good study and provide valuable input from the veterans.

The motion prevailed on a roll call vote with 12 voting AYE and 3 EXCUSED. Those voting AYE: Abdallah, Ahlers, Gray, Hanson, Burg, Cronin, Krebs, Putnam, Rave, Tidemann, Turbiville, Hunhoff. Those EXCUSED: Miles, Tieszen, Lucas.

REPRESENTATIVE KREBS MOVED, SECONDED BY REPRESENTATIVE TURBIVILLE, THAT THE EXECUTIVE BOARD DIRECT LRC STAFF TO DRAFT AN ISSUE MEMO ON STUDY TOPIC Q—STUDY THE POTENTIAL CREATION OF A DEPARTMENT OF VETERANS AFFAIRS AS A CABINET LEVEL DEPARTMENT—TO BE PRESENTED TO THE EXECUTIVE BOARD AT ITS NOVEMBER MEETING. The motion prevailed on a roll call vote with 13 voting AYE and 2 EXCUSED. Those voting AYE: Abdallah, Ahlers, Gray, Hanson, Miles, Burg, Cronin, Krebs, Putnam, Rave, Tidemann, Turbiville, Hunhoff. Those EXCUSED: Tieszen and Lucas.

An outline of a typical study plan for interim agency review committees that might be used by committee chairs to conduct an agency review was distributed (**Document #9**).

Senator Miles proposed a new format to be outcome-based, such as a process improvement study. She said that such information might be more beneficial to the Legislature.

Mr. Fry said that staff could add outcomes/performances based measures to the review document wherever justified and valid.

The Board decided to review the Bureau of Finance and Management and the Department of Health during the 2011 Interim.

Discussion of Legislative Travel

The Board discussed legislative travel. The Board directed staff to include discussion on dollars involved for any meetings—in-state and out-of-state. Chair Hunhoff asked if the statutory committees could meet before July 1 to provide a better idea of travel dollars remaining.

REPRESENTATIVE KREBS MOVED, SECONDED BY SENATOR ABDALLAH, THAT NO OUT-OF-STATE TRAVEL BE APPROVED FOR LEGISLATORS, EXCEPT THOSE WHO HAVE BEEN APPOINTED TO THE STREAMLINED SALES TAX COMMITTEE, UNIFORM LAWS COMMISSION, CHAIRS OF NATIONAL ORGANIZATIONS, AND THE INTERNATIONAL LEGISLATIVE FORUM.

Representative Rave suggested that Vice Chairs of national organization be included in the motion in order to provide a learning experience.

Representative Krebs agreed to add that suggestion to her motion.

In light of the addition to the motion, Senator Abdallah rescinded his second to the motion, and the motion failed due to lack of a second.

Regarding Representative Putnam's question about whether staff travel needs to be addressed, Chair Hunhoff said that she does not feel comfortable voting on travel issues until the Board knows what the dollars involved.

SENATOR ABDALLAH MOVED, SECONDED BY SENATOR GRAY, THAT NO OUT-OF-STATE TRAVEL BE APPROVED FOR LEGISLATORS, EXCEPT THOSE WHO HAVE BEEN APPOINTED TO THE STREAMLINED SALES TAX COMMITTEE, UNIFORM LAWS COMMISSION, AND CHAIRS OF NATIONAL ORGANIZATIONS. The motion prevailed on a roll call vote with 9 voting AYE, 4 voting NAY, and 2 EXCUSED. Those voting AYE: Abdallah, Ahlers, Gray, Burg, Cronin, Krebs, Putnam, Tidemann, Turbiville. Those voting NAY: Hanson, Miles, Rave, Hunhoff. Those EXCUSED: Tieszen and Lucas.

At the direction of the Chair and Vice Chair, Mr. Fry said that he will send a travel policy memo to all legislators. Representative Krebs asked that the memo clarify that a legislator may attend a meeting that is paid for by others or by self.

After talking with Senator Hanson regarding the members of the International Legislative Forum, **SENATOR ABDALLAH MOVED, SECONDED BY REPRESENTATIVE BURG, THAT MEMBERS OF THE INTERNATIONAL LEGISLATIVE FORUM BE EXEMPT FROM THE TRAVEL POLICY. The motion prevailed on a roll call vote with 9 voting AYE, 4 voting NAY, and 2 EXCUSED. Those voting AYE: Abdallah, Ahlers, Hanson, Miles, Burg, Putnam, Rave, Tidemann, Turbiville. Those voting NAY: Gray, Cronin, Krebs, Turbiville. Those EXCUSED: Tieszen and Lucas.**

Adjournment

REPRESENTATIVE ABDALLAH MOVED, SECONDED BY REPRESENTATIVE PUTNAM, THAT THE EXECUTIVE BOARD ADJOURN. The motion prevailed unanimously on a voice vote.

The Executive Board adjourned at 1:55 p.m.

