



SouthDakota

Legislative
Research
Council

MINUTES
Executive Board

Senator Ryan Maher, Chair
Representative Lance Carson, Vice Chair

First Meeting
2014 Interim
April 23, 2014

Room 413
State Capitol Building
Pierre, South Dakota

Wednesday, April 23, 2014

The first meeting of the Executive Board for the 2014 Interim was called to order by Senator Maher at 9:30 a.m. (CDT) in room 413 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senator Ryan Maher, Chair; Senators Corey Brown, Phyllis Heineman (via telephone), Larry Lucas, Deb Peters, Deb Soholt, and Craig Tieszen; and Representatives Brian Gosch, Spencer Hawley, Charles Hoffman, Isaac Latterell, Betty Olson, and Steve Westra. Excused were Representatives Lance Carson and Kathy Tyler.

Staff members present included Fred Schoenfeld, Interim Director; Sue Cichos, Deputy Director; Doug Decker, Code Counsel; Annie Mehlhaff, Chief Fiscal Analyst; Dave Ortbahn, Chief Research Analyst; Kevin Kumpf, Programmer/Analyst; and Cindy Tryon, Legislative Secretary.

NOTE: For purpose of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents distributed at the meeting are attached to the original minutes on file in the Legislative Research Council office. This meeting was web cast live. The archived web cast is available at the LRC web site at <http://legis.sd.gov>.

Approval of Minutes

REPRESENTATIVE OLSON MOVED, SECONDED BY SENATOR PETERS, THAT THE JANUARY 13, 2014, EXECUTIVE BOARD MINUTES BE CORRECTED BY CHANGING SENATOR OLSON TO REPRESENTATIVE OLSON ON PAGE 2 AND 3. The motion prevailed on a voice vote.

REPRESENTATIVE OLSON MOVED, SECONDED BY SENATOR PETERS, THAT THE MINUTES OF THE JANUARY 13, 2014, MEETING BE APPROVED AS CORRECTED. The motion prevailed on a voice vote.

Approval of Agenda

Senator Ryan Maher said that the 2014 Meeting Schedule agenda item will be moved to just prior to adjournment.

SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE HOFFMAN, TO APPROVE THE AGENDA WITH SENATOR MAHER'S CHANGE. The motion prevailed on a voice vote.

Management Team Reports

Mr. Fred Schoenfeld, Interim Director, presented the new Legislative Research Council (LRC) organizational chart (**Document #1**). Mr. Schoenfeld announced the creation of a new position, Deputy Director, which has been filled by Ms. Sue Cichos. He also announced that Mr. David Ortbahn is the new Chief Analyst for Research and that Mr. Fred Baatz has taken over Mr. Ortbahn's previous duties.

Ms. Annie Mehlhaff, Chief Budget Analyst, presented the operating budget for LRC for FY14 Year to Date (**Document #2**). Ms. Mehlhaff reported that LRC is on track with the budget and should complete the year with no financial issues.

Ms. Mehlhaff also announced that Ms. Cichos' appointment to Deputy Director left a vacancy in the Fiscal Division. Mr. Jason Simmons has been given Ms. Cichos' duties and Ms. Stephanie Gruba has been hired to fill the vacant position. Ms. Gruba's start date is May 12, 2014.

Mr. Doug Decker, Code Counsel, said that the legal staff has instituted a weekly meeting to discuss both Federal and State Supreme Court decisions to make sure they remain up to date on current developments. Mr. Decker also reported that the Code Commission will be meeting soon to discuss the publishing contract as the increasing number of Legislators using iPads reduces the number of disks needed to be purchased.

Mr. Decker said that he continues to review the personnel manual and will be drafting a new mission statement. He will also develop a policy regarding the use of social media and a personnel manual for session staff. Mr. Decker reported that the confidentiality agreement with the Bureau of Information and Telecommunications (BIT) should be finalized in the near future.

Mr. David Ortbahn, Chief Analyst for Research, pointed out that with the loss of staff members they also lose a lot of experience. Mr. Reuben Bezpaletz retired in early April with almost 40 years of experience and Mr. Tom Magedanz will be retiring in early June with 26 years of experience. The remaining staff members are dedicated and will do their best with the Interim Committees. The vacant positions will be filled as soon as possible and the Research Division will work diligently to get the new staff members up to speed in time for the 2015 Session.

Ms. Sue Cichos, Deputy Director, said that she has only been in the new Deputy Director position for 3 weeks and she is enthusiastic about the challenge and appreciates the Board giving her the opportunity. Ms. Cichos talked about the Capitol renovation projects and asked that any input or comments about the work that has been done in the Legislators' offices be shared with Ms. Carol Huber in the LRC office.

Interim Activities

Current Obligations

Mr. Schoenfeld talked about the memorandum that was sent to the Executive Board on April 17, 2014 (**Document #3**). He stressed the number of committees listed in the memo and the increased workload that will be undertaken by fewer staff members. Mr. Schoenfeld asked the Board to keep that information in mind when selecting the interim study committees.

Planning Committee Study

Senator Maher presented the memorandum from Representative Scott Munsterman, Chair of the Legislative Planning Committee (LPC), requesting the Executive Board to identify education as the Planning Committee's next area of focus (**Document #4**).

SENATOR LUCAS MOVED, SECONDED BY REPRESENTATIVE HAWLEY, TO ASK THE LEGISLATIVE PLANNING COMMITTEE TO CONDUCT A TWO YEAR STUDY ON K-12 TEACHER SALARIES, FUNDING FORMULA, REVENUES AND SPENDING WITH A LOOK AT THE ACCOUNTING SOFTWARE.

After much discussion, Senator Maher pointed out that the Legislative Planning Committee just needs some basic direction. He said that Representative Munsterman, LPC Chair, does a good job molding things together and making them work as a study and preparing a final report. Senator Maher added that the Board just needs to give the LPC some key points on which to focus.

Senator Corey Brown said that the Board should let Representative Munsterman know that he has the ability to come back to the Executive Board if the LPC would like to take the topic in a little different direction.

SENATOR PETERS MOVED A SUBSTITUTE MOTION, SECONDED BY REPRESENTATIVE LATTERELL, TO REQUEST THE LEGISLATIVE PLANNING COMMITTEE TO CONDUCT A TWO YEAR STUDY OF K-12 EDUCATION TO IMPROVE EDUCATIONAL OUTCOMES IN SOUTH DAKOTA. THE STUDY SHOULD INCLUDE THE FOLLOWING: THE EDUCATION FUNDING FORMULA; ALL REVENUES, EXPENDITURES, AND ACCOUNTING PRACTICES FOR EDUCATION; SALARY NEEDS; SCHOOL DISTRICT BUDGET RESERVES; AND LEVELS OF VARIOUS EDUCATION FUNDING TAX LEVIES. The motion prevailed on a roll call vote with 13 voting AYE, 2 EXCUSED. Those voting AYE: Brown Heineman, Lucas, Peters, Soholt, Tieszen, Gosch, Hawley, Hoffman, Latterell, Olson, Westra, Maher. Those EXCUSED: Carson and Tyler.

New Interim Studies

Mr. Schoenfeld presented documents to the Board including the 2014 Summer Studies Ballot that was sent to all legislators and the results of those ballots.

The Board discussed all of the topics at great length. While discussing topic S, Representative Steve Hickey was connected to the discussion via telephone. He encouraged the Board to select topic S and gave his reasoning for drafting that suggested topic.

SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE GOSCH, THAT THERE BE TWO STUDIES WITH ONLY NINE MEMBERS EACH. Senator Peters withdrew the motion.

REPRESENTATIVE HOFFMAN MOVED, SECONDED BY SENATOR BROWN, THAT THERE ONLY BE ONE SUMMER STUDY THIS INTERIM AND THAT IT INCLUDE TOPICS A, B, AND C REGARDING THE 3-TIER SYSTEM AND THAT THE STUDY COMMITTEE CONSIST OF ONLY 9 MEMBERS.

SENATOR LUCAS MADE A SUBSTITUTE MOTION, SECONDED BY SENATOR PETERS, THAT A SUMMER STUDY BE CONDUCTED REGARDING TOPICS A, B, AND C REGARDING THE 3-TIER SYSTEM AND THE STUDY COMMITTEE CONSIST OF ONLY 9 MEMBERS. The motion prevailed on a roll call vote with 10 voting AYE, 3 voting NAY, 2 EXCUSED. Those voting AYE: Brown, Heineman, Lucas, Peters, Soholt, Tieszen, Hawley, Hoffman, Olson, Maher. Those voting NAY: Gosch, Latterell, Westra. Those EXCUSED: Carson and Tyler.

SENATOR TIESZEN MOVED, SECONDED BY SENATOR LUCAS, THAT A SUMMER STUDY BE CONDUCTED REGARDING TOPIC L, STUDY OF ALL CURRENT AND FUTURE ROADS AND BRIDGES' NEEDS AND FINANCING.

REPRESENTATIVE HAWLEY MOVED A SUBSTITUTE MOTION, SECONDED BY SENATOR PETERS, THAT A SUMMER STUDY BE CONDUCTED REGARDING TOPIC L, STUDY OF ALL CURRENT AND FUTURE ROADS AND BRIDGES' NEEDS AND FINANCING, INCLUDING THE STUDY OF THE IMPACT OF STATUTORY CHANGES REGARDING MOTOR VEHICLE LICENSE FEES ON ROAD FUNDING. The motion prevailed on a roll call vote with 13 voting AYE, 2 EXCUSED. Those voting AYE: Brown, Heineman, Lucas, Peters, Sohlt, Tieszen, Gosch, Hawley, Hoffman, Latterell, Olson, Westra, Maher. Those EXCUSED: Carson and Tyler.

SENATOR HEINEMAN MOVED, SECONDED BY REPRESENTATIVE WESTRA, THAT A WHITE PAPER BE PREPARED ON TOPIC R, HOW PROPERTY TAXES ARE APPORTIONED TO LOCAL ENTITIES. Motion withdrawn by Senator Heineman.

Mr. Schoenfeld explained that preparing a white paper on such a broad topic would be difficult at this time due to the reduced number of staff members and the limited amount of time the staff has available because of the increased number of interim studies. He said that the staff would work on researching this topic as time allows.

Operations Subcommittee Report

Senator Craig Tieszen, Chair of the Operations Subcommittee, reported on the Operations Subcommittee meeting that was held earlier in the day.

Interim Committee Meetings

The subcommittee agreed that the budget would allow for up to 13 interim committees consisting of 11 members or less conducting 3 meetings held over 5 days. Senator Tieszen said that the subcommittee would like each of the interim committee chairs to be held accountable for committee expenses. The LRC Finance Officer will keep track of the meeting costs and keep the committee chairs informed.

Working Lunches

Senator Tieszen explained that it can be difficult for interim committee members to leave for a lunchbreak, so they often work through lunch. In order to accommodate working lunches, the subcommittee asked Doug Decker, Code Counsel, to draft a proposed rule.

Mr. Decker, Code Counsel, presented Proposed Executive Rule – Group Meal Expense to the Executive Board for consideration (***Document #6***).

A MOTION WAS MADE BY SENATOR TIESZEN, SECONDED BY REPRESENTATIVE OLSON, TO APPROVE THE PROPOSED EXECUTIVE RULE - GROUP MEAL EXPENSE - AS PRESENTED BY MR. DECKER. The motion prevailed on a roll call vote with 12 voting AYE, 3 EXCUSED. Those voting AYE: Brown, Lucas, Peters, Sohlt, Tieszen, Gosch, Hawley, Hoffman, Latterell, Olson, Westra, Maher. Those EXCUSED: Carson, Heineman and Tyler.

Computer Technology Subcommittee Report

Senator Larry Lucas, Chair of the Technology Subcommittee, reported on the Technology Subcommittee meeting that was held earlier in the day. Senator Lucas reported that 30 iPads will be purchased for the 2015 Session this fiscal year and the lease for the Revolve laptops will come out of the 2015 budget. Legislators are given the choice of either receiving a laptop or an iPad to use while in office.

Senator Lucas reported that the new wiring and sound systems for the House and Senate Chambers is being installed. He added that money was approved for the wiring and sound system in the current budget, and that work is called Phase I. Phase II would include the boards and that will be an issue for the budget approved during the 2015 Session. International Roll Call is also working on getting the voting consoles installed into both chambers.

Mr. Kevin Kumpf, LRC Computer Programmer and Analyst, answered questions from the Board members regarding the new wiring and sound systems. He explained that the boards in the house and senate would be in the second phase. Mr. Kumpf also reported that there is still no option for using the OneNote program on iPads, so the members of the Appropriations Committee will continue to use laptops.

Representative Isaac Latterell said that he would like to see a third option to the computer choices, which would be offering a stipend to legislators who choose to use their own personal computers.

Mr. Schoenfeld said that there is still a concern with security when allowing stipends. He pointed out that the privateness of communication changes when using personal computers. There is also an issue of support for computers that do not belong to the state and who would be liable if a personal computer is damaged while being worked on by staff.

A MOTION WAS MADE BY REPRESENTATIVE LATTERELL, SECONDED BY REPRESENTATIVE GOSCH, THAT UP TO 10 LEGISLATORS BE ALLOWED TO RECEIVE STIPENDS FOR USING THEIR PERSONAL COMPUTERS FOR STATE BUSINESS. Representative Latterell withdrew his motion.

Representative Spencer Hawley said that he would like to have more information from staff regarding this issue before voting on it.

Senator Deb Peters asked that the LRC staff put together more information regarding stipends for using personal computers and present that information at a future Executive Board meeting.

Authorize Staff Work

Mr. Schoenfeld said that HB1213, which was passed by the 2014 State Legislature, established the South Dakota Tribal Economic Development Task Force. The Executive Board is to appoint 5 of the 19 members and designate the chair and vice chair of the task force.

Mr. Schoenfeld reported that advertising for candidates to apply for the vacant Investment Council seat will be going out within the next two weeks. Applications from qualified candidates will be sent to the Executive Board members and interviews will be conducted at the June 3 Executive Board meeting.

Legislator Evaluations of LRC Staff

Mr. Schoenfeld shared copies of the Legislator Evaluation form that was used at the end of the 2013 Legislative Session (**Document #7**). He asked if the Executive Board would like something similar distributed this year. Mr. Schoenfeld said that this type of input would be helpful to the staff if they were to see the results. However, the results of the evaluations had not been shared with the staff in the past.

A MOTION WAS MADE BY SENATOR PETERS, SECONDED BY REPRESENTATIVE HOFFMAN, THAT A LEGISLATIVE STAFF EVALUATION BE CONDUCTED. The motion prevailed on a voice vote.

Executive Session

A MOTION WAS MADE BY REPRESENTATIVE OLSON, SECONDED BY REPRESENTATIVE LATTERELL, THAT THE EXECUTIVE BOARD GO INTO EXECUTIVE SESSION. The motion prevailed on a voice vote.

The Executive Board went into Executive Session at 2:27 p.m.

A MOTION WAS MADE BY REPRESENTATIVE LATTERELL, SECONDED BY REPRESENTATIVE OLSON, THAT THE EXECUTIVE BOARD COME OUT OF EXECUTIVE SESSION. The motion prevailed on a voice vote.

The Executive Board came out of Executive Session at 3:18 p.m. No action was taken.

2014 Meeting Schedule

The next meeting of the Executive Board will be Thursday, May 8, 2014, in room 413 of the State Capitol in Pierre. The subcommittees will begin meeting at 8:00 a.m. and the full committee will start at 10:00 a.m. The May meeting will include selection of the interim committee members.

The June Executive Board meeting will be June 2–3, 2014. At that meeting, the Board will be conducting interviews for the LRC Director position and for the new member of the Investment Council.

The Executive Board may need to have a July meeting but that date will be set once the new LRC Director is on staff.

Other Business

Mr. Paul Kinsman, Commissioner, Bureau of Administration, talked to the Board about the carpet in the House and Senate Chambers. Mr. Kinsman said that the carpet is in very good condition and does not need to be replaced. He added that if any damage is done to the carpet while updating the wiring or removing the stained glass, then new carpet would be installed. The carpet will be cleaned while all the desks are out of the chambers for updating wiring and removing the stained glass. Any costs incurred for cleaning the carpet or installing new will be covered by the Maintenance and Repair fund through the Bureau of Administration. Mr. Kinsman believes that the carpet currently found in the chambers should not need to be replaced for at least 10 years.

Adjourn

SENATOR LUCAS MOVED, SECONDED BY REPRESENTATIVE WESTRA, THAT THE EXECUTIVE BOARD BE ADJOURNED. The motion prevailed unanimously on a voice vote.

The Committee adjourned at 3:40 p.m.