

MINUTES

Special Legislative Task Force



Representative Scott Munsterman, Chair
Senator Mike Vehle, Vice Chair

**First Meeting, 2016 Interim
Monday, September 19, 2016**

**Room 413 – State Capitol
Pierre, SD**

The first meeting of the Special Legislative Task Force was called to order by Representative Scott Munsterman, Chair, at 9:30 a.m. (CDT), on Monday, September 19, 2016, in Room 413 of the State Capitol in Pierre, South Dakota.

The following members answered the roll call: Representative Scott Munsterman, Chair; Senator Mike Vehle, Vice Chair; Senators Gary Cammack, Terri Haverly and Scott Parsley; Representatives Shawn Bordeaux, Kristin Conzet, Jacqueline Sly and Dean Wink. Member excused: Senator Ried Holien.

Staff members present included Clare Charlson, Principal Research Analyst; Jeff Mehlhaff, Fiscal Analyst; and Paul Giovanetti, Senior 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://sdlegislature.gov>.

Review of Task Force responsibilities

Representative Scott Munsterman reviewed the responsibilities of the task force that was established pursuant to SDCL § 13-51-1.4.

Senator Mike Vehle explained that, with the passage of HB 1238 in 2006, the Legislature placed provisions in state law that would prevent the university center in Sioux Falls from becoming another university.

Report on SDCL § 13-51-1.3

Dr. Michael Rush, Executive Director and CEO, South Dakota Board of Regents presented an update on the provisions of SDCL § 13-51-1.3 and the board's compliance with them ([Document #1](#)).

Senator Gary Cammack asked if the provision requiring the university center to be self-supporting is the reason why the tuition rates are higher at the university center than at the other institutions. Dr. Rush replied that the tuition rate has to be higher for the center to be self-supporting. Dr. Rush noted that the Board of Regents is examining the cost and the tuition rate for courses offered at the university centers across the state and online.

Senator Vehle asked if the university center in Sioux Falls is self-supporting. Dr. Rush replied that the new model of postsecondary education has shifted to online education with only one-third of the students taking classes physically at the university center. However, online students use the university center as a resource hub.

Senator Vehle asked if the facilities at the University Center-Sioux Falls are being utilized fully. Dr. Rush replied that the campus has room to grow and not all of the classrooms are being fully utilized.

Representative Jaqueline Sly asked if all of the university centers, including the ones in Rapid City, Pierre, and Sioux Falls are managed by the University of South Dakota. Dr. Rush replied that each center is managed by a different university, however, all universities can offer classes at the university centers.

Representative Sly asked about the current challenges to get students to attend classes at the university centers, and how the university centers can become more vibrant. Dr. Rush replied that technology has allowed for students to no longer have to take courses in a classroom setting. Students can take courses online in the comfort of their own homes. For the centers to be more vibrant, the board is looking at a new funding model to prevent the duplication of classes offered and building up the associate degree cohort.

Representative Dean Wink asked if there is any information on the enrollment numbers for the University Center-Sioux Falls. Dr. Rush replied that enrollment has decreased over the last ten years, however, the online enrollment has increased.

Senator Vehle asked if the associate degree cohort is self-supporting. Dr. Rush replied that the two-year degree cohort is self-supporting because it costs less to teach the required classes for the first two years. The goal is to build up this cohort.

Senator Vehle asked if the other two university centers fall under the same statute. Dr. Rush replied that the statute only applies to the University Center-Sioux Falls. The Board of Regents has reexamined the management of the university centers and has assigned three separate institutions to administer the three university centers. The university center in Sioux Falls is administered by the University of South Dakota (USD), the one in Pierre is administered by South Dakota State University (SDSU) with the nursing program under USD, and the one in Rapid City is administered by Black Hills State University (BHSU).

Senator Vehle asked if the enrollment at the university centers takes students away from the traditional, four-year institutions. Dr. Rush replied that most students who begin at the university centers transfer into the four-year institutions. The largest factor that has caused enrollment decreases at both the institutions and university centers is the offering of online courses.

Representative Munsterman asked what is unique to the university centers and when the marketing study will begin. Dr. Rush replied that the Associate of Science degree program is unique to the university centers allowing a student to begin college while staying at home before moving on to the four-year institutions. The formal marketing study to see what is needed in the Sioux Falls area will begin in the spring.

Senator Vehle asked if the two-year associate degree program will compete with the postsecondary technical schools. Dr. Rush replied that the postsecondary technical schools offer an Associate of Applied Science degree whereas the university centers offer an Associate of Science degree which are two different degrees. The Board of Regents and the postsecondary technical institutes are not competing with each other, but need to work together to provide a variety of two-year degrees.

Recess

Representative Munsterman recessed the committee at 10:17 a.m.

Reconvene

Representative Munsterman reconvened the Special Legislative Task Force meeting at 12:45 p.m.

Task Force Discussion and Action

The task force requested a fiscal analysis of the three university centers. The committee discussed the need for a definition of self-supporting.

Senator Vehle stated that he has draft legislation that would decrease the review period from ten years to every three years to coincide with the Board of Regents reports to the Legislative Planning Committee, and would transfer the responsibilities of this task force to the Legislative Planning Committee.

The task force discussed having another meeting to review possible legislation and make any other recommendations. The next meeting will be on October 31, 2016, in Pierre.

Adjournment

SENATOR VEHLE MOVED, SECONDED BY REPRESENTATIVE SLY, TO ADJOURN. The motion prevailed unanimously on a voice vote.

The committee adjourned at 12:49 p.m.