



MINUTES

Executive Board

Room 413
State Capitol
Pierre, South Dakota

Monday, March 25, 2013

The Legislative Research Council Executive Board was called to order by Mr. Jim Fry, Director of the Legislative Research Council, at 8:15 a.m. (CT), March 25, 2013, in Room 413 of the State Capitol, Pierre, South Dakota.

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

Staff members present included Jim 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."

Mr. Fry asked for comments on the meeting agenda.

Representative Isaac Latterell asked that discussion of legislative health insurance be included in the agenda item to review legislative accidental death insurance and made a motion to that affect. The motion was seconded by **Representative Charles Hoffman**. **The motion prevailed on a voice vote.**

SENATOR LUCAS MOVED, SECONDED BY SENATOR MAHER, TO APPROVE THE PROPOSED AGENDA, AS AMENDED. MOTION PASSED

Election of Officers

Mr. Fry asked for nominations for Executive Board Chair.

REPRESENTATIVE OLSON MOVED, SECONDED BY SENATOR BROWN, TO NOMINATE SENATOR MAHER FOR CHAIR OF THE EXECUTIVE BOARD.

SENATOR HEINEMAN MOVED, SECONDED BY SENATOR PETERS, THAT NOMINATIONS CEASE. The motion prevailed on a voice vote.

Senator Ryan Maher assumed the Chairmanship of the Executive Board.

Chair Maher asked for nominations for Executive Board Vice Chair.

REPRESENTATIVE HOFFMAN MOVED, SECONDED BY SENATOR LUCAS, TO NOMINATE REPRESENTATIVE CARSON FOR VICE CHAIR OF THE EXECUTIVE BOARD.

SENATOR SOHOLT MOVED, SECONDED BY SENATOR HEINEMAN, TO NOMINATE REPRESENTATIVE WESTRA FOR VICE CHAIR OF THE EXECUTIVE BOARD.

Board members voted per paper ballot. Lou Adamson and Amanda Reiss from the Legislative Research Council counted the votes.

REPRESENTATIVE LANCE CARSON WAS ELECTED VICE CHAIR OF THE EXECUTIVE BOARD.

CHAIR MAHER MOVED, SECONDED BY SENATOR BROWN, TO NOMINATE SENATOR LUCAS FOR RANKING MINORITY MEMBER OF THE EXECUTIVE BOARD. The motion prevailed on a voice vote.

SENATOR LARRY LUCAS WAS ELECTED RANKING MINORITY MEMBER OF THE EXECUTIVE BOARD.

Consideration of Executive Board 2013 Meeting Schedule

Mr. Fry presented a draft meeting schedule to the Board members. Mr. Fry explained what responsibilities the committee has for each meeting.

Chair Maher informed the Board that he has heard from some of the members that perhaps meeting days should be changed from Mondays to Tuesdays to allow more time for travel and for subcommittees to meet before the full Board meets. The Chair also commented that it is at the discretion of the Board whether to hold meetings in July, September, and October.

Discussion ensued regarding the Executive Board 2013 Meeting Schedule. **Representative Charles Hoffman** suggested that subcommittees could meet on Monday mornings, and the full Board could meet in the afternoons. **Senator Deb Peters** said that she prefers Tuesday meetings, and **Representatives Isaac Latterell, Kathy Tyler, and Steven Westra** expressed their support for Monday meetings. **Senator Craig Tieszen** said subcommittee meetings somehow need to be coordinated with full Board meetings. **Senator Deb Soholt** stated that the Board should be able to coordinate members' schedules and hold some meetings on Mondays and some meetings on Tuesdays. Senator Peters suggested that the Board complete the rest of the agenda and further discuss the meeting schedule during the Executive Session portion of the agenda. Chair Maher agreed with Senator Peters and moved further discussion on the travel policy to the Executive Session portion of the agenda.

Review of Legislative Insurance Policy Cost and Time of Implementation

Mr. Fry told the Board that requests for proposals on accidental death insurance were issued. To date, one proposal has been received, and more are expected. Mr. Fry asked the Board whether they wanted to raise the accidental death insurance policy from \$200,000 to

\$250,000. If the premium is paid up front for three years, there will be a discount. Due to budget constraints, the Legislature has not had this coverage for a couple of years.

Responding to Senator Corey Brown, Mr. Fry said that it is not cost prohibitive to increase the coverage to \$250,000. Mr. Fry will report bid information to the Board regarding accidental death insurance premiums when all bids have been received.

Representative Westra asked what the incremental cost would be to raise the coverage to \$300,000.

Representative Spencer Hawley responded that the amounts of such insurance coverage commonly starts at \$250,000 then moves incrementally from there to \$500,000.

SENATOR LUCAS MOVED, SECONDED BY REPRESENTATIVE TYLER, THAT THE EXECUTIVE BOARD APPROVE THE PURCHASE OF \$250,000 ACCIDENTAL DEATH POLICIES FOR LEGISLATORS.

SENATOR PETERS MADE A SUBSTITUTE MOTION, SECONDED BY REPRESENTATIVE WESTRA, THAT THE EXECUTIVE BOARD APPROVE THE PURCHASE OF A \$250,000 ACCIDENTAL DEATH INSURANCE POLICY FOR LEGISLATORS FOR A 3-YEAR PERIOD AS SOON AS A BID IS ACCEPTED AND TO IMPLEMENT THE POLICY IMMEDIATELY UPON BID AWARD. The motion prevailed on a roll call vote with 13 voting AYE and 2 voting NAY. Those voting AYE: Heineman, Lucas, Maher, Peters, Sohlt, Tieszen, Gosch, Hawley, Hoffman, Latterell, Olson, Tyler, Westra. Those voting NAY: Brown, Carson.

Representative Latterell asked LRC staff to research the cost to allow legislators to buy into the state health insurance plan.

Senator Larry Lucas said that South Dakota has a part-time Legislature and does not think that this status would coordinate or allow its members to join the South Dakota Health Insurance Plan for state employees and other members of the plan.

Senator Peters expressed her opinion that legislative participation in the state health insurance plan might be a conflict of interest based on her understanding that the Legislature is not able to participate in the South Dakota State Retirement System because to do so would be a conflict of interest.

Mr. Fry stated that a state employee who works part-time must work twenty hours per week in order to receive state benefits.

Representative Hoffman said that he has had a problem with county commissioners getting insurance because they are not fulltime employees and believes the same standard would apply here.

Representative Latterell said that his goal is not to create a burden on the system; however, he said that he is interested in finding out the costs involved.

REPRESENTATIVE LATTERELL MOVED, SECONDED BY REPRESENTATIVE GOSCH, THAT THE EXECUTIVE BOARD DIRECT LRC STAFF TO ASCERTAIN THE COSTS INVOLVED TO ALLOW LEGISLATORS TO PARTICIPATE IN THE SOUTH DAKOTA HEALTH INSURANCE PLAN. The motion failed on a roll call vote with 3 voting AYE and 12 voting NAY. Those voting AYE: Brown, Gosch, Latterell. Those voting NAY: Heineman, Lucas, Maher, Peters, Soholt, Tieszen, Carson, Hawley, Hoffman, Olson, Tyler, Westra.

Review of FY 2013 Travel Policy and Consideration of FY 2014 Travel Policy

Senator Peters asked if there was a LRC staff travel policy in place.

Mr. Fry said that, with a couple of exceptions, staff has not traveled in the past two years due to budget constraints. He also said that there currently is not a staff travel policy in place.

Senator Tieszen said that there were some stories circulating about abuses regarding travel; however, the Senator said that he cannot verify those stories. He said that sometimes he paid for his own travel to meetings to learn more about issues that were important to him and South Dakota. Senator Tieszen said that travel to meetings of organizations in which the Legislature is a member is beneficial. They provide interaction with other state legislators who have common issues—budget issues, national trends, etc.

Senator Phyllis Heineman questioned why ALEC was removed from the list of national organizations to which legislators can travel.

Mr. Fry responded that ALEC has been on and off the list over the years.

Representative Hoffman said that it would be in the best interest of the Legislature if ALEC was included on the list.

Also, Representative Hoffman said that a yearly meeting cost per legislator needs to be established, and a legislator should not be allowed to exceed that amount per year.

Senator Peters requested an LRC staff travel policy. She said that staff can learn a lot from other states; the meetings provide professional development. Senator Peters said that if South Dakota wants to be able to push its agenda, it needs to be part of the discussion. Travel should be open to more than one meeting. She said that meeting accountability needs to be reinstated--perhaps require a written report from a meeting attendee. Senator Peters said that she supports the FY 2013 Travel Policy with this amendment to paragraph 3:

“A legislator, who has been selected as a member of a committee of the National Conference of State Legislators, the Council of State Governments or the Midwestern Legislative Conference will be reimbursed for ~~one~~ three out-of-state ~~trip~~ trips per year. Any member of the executive governing board of the NCSL, CSG, or MLC will be reimbursed for travel expenses for ~~one~~ three out-of-state ~~trip~~ trips per year.”

Representative Lance Carson expressed support for Representative Hoffman’s comment that a yearly meeting cost per legislator needs to be established, and a legislator should not be allowed to exceed that amount per year.

Senator Sohlt and Representative Tyler agree with Senator Peters that accountability needs to be a component of the travel policy.

SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE TYLER, THAT THE EXECUTIVE BOARD APPROVE THE FY 2013 TRAVEL POLICY WITH THE AMENDMENT TO INCREASE REIMBURSEMENT FOR THREE OUT-OF-STATE TRIPS PER YEAR AND TO IMPLEMENT AN ACCOUNTABILITY COMPONENT.

Responding to a question from Representative Hawley, Senator Peters said that comparison numbers are not available for cost of travel before and after the travel restriction. Senator Peters suggested that the Board wait until April to learn more about that comparison.

Senator Sohlt concurred with Senator Peters to wait for the budget information regarding this issue. She said that South Dakota needs to have a national presence.

SENATOR LUCAS MADE A SUBSTITUTE MOTION, SECONDED BY REPRESENTATIVE HOFFMAN, THAT THE EXECUTIVE BOARD POSTPONE FINAL ACTION ON THE TRAVEL POLICY UNTIL APRIL.

Senator Heineman said that perhaps each respective caucus also should have purposeful discussions on the travel issue.

Senator Lucas' substitute motion prevailed on a voice vote.

SENATOR PETERS MOVED THAT THE EXECUTIVE BOARD ALSO CONSIDER A STAFF TRAVEL POLICY AT THE APRIL MEETING. The motion prevailed on a voice vote.

Review of Summer Study Selection and Initiation Process

SENATOR PETERS MOVED, SECONDED BY REPRESENTATIVE HOFFMAN, THAT THE SURVEY OF 2013 SUGGESTED STUDIES BE MAILED ON MONDAY, APRIL 1, 2013, WITH A RETURN DATE OF FRIDAY, APRIL 5, 2013. The motion prevailed on a voice vote.

Executive Session

SENATOR HEINEMAN MOVED, SECONDED BY SENATOR PETERS, THAT THE EXECUTIVE BOARD GO INTO EXECUTIVE SESSION. The motion prevailed on a voice vote.

The Executive Board went into Executive Session at 9:20 a.m.

REPRESENTATIVE CARSON MOVED, SECONDED BY SENATOR PETERS, THAT THE BOARD COME OUT OF EXECUTIVE SESSION. The motion prevailed on a voice vote.

The Executive Board came out of Executive Session at 9:45 a.m.

Chair Maher announced the appointments to the following subcommittees (listed in order named):

Operations Subcommittee: Senators Craig Tieszen, Representative Steven Westra, Senator Deb Soholt, Representative Spencer Hawley, Senator Phyllis Heineman.

Budget & Finance Subcommittee: Senators Deb Peters, Representative Lance Carson, Senator Larry Lucas, Representative Kathy Tyler, Representative Isaac Latterell.

Chair Maher also said that the Board will meet on Tuesday, April 23, 2013, and declared that the remainder of the 2013 meeting schedule will stand as presented.

SENATOR BROWN MOVED, SECONDED BY REPRESENTATIVE TYLER, THAT THE MEETING ON TUESDAY, APRIL 23, 2013, WILL CONVENE AT 10:00 A.M. The motion prevailed on a voice vote.

Adjournment

SENATOR LUCAS MOVED, SECONDED BY SENATOR HEINEMAN, THAT THE EXECUTIVE BOARD ADJOURN. The motion prevailed unanimously on a voice vote.

The Executive Board adjourned at 9:50 a.m.

