

## GREETINGS FROM PIERRE

By Sen. Tom Jones  
District 17

Last Friday after nine weeks of enacting bills into laws and killing many other bills, the general bill for fiscal year 2014-15 was passed. The general bill contains approximately \$1.5 billion split between South Dakota's revenue, Federal and Other Funds. It also delegates where the money will be spent.

Leading up to the passage of this bill included a week's worth of debate on bills the Senate and the House could concur. Monday we heard from a representative from the Bureau of Finance and Management and a revenue expert from the Legislative Research Council. Both were optimistic as to South Dakota's and the United States economic outlook.

South Dakota is 9,800 jobs (2.4 percent) higher than its pre-recession peak in 2008 and the US is .7 million higher in jobs (.5 percent) during the same time span. FY 2014 General Fund Revenues total \$1,472,647,721 of which sales tax is \$818.3 million. FY 2-15 General Fund Revenues total \$1,387,689,199 of which sales tax is \$848.4 million. The 2014 revenues included both one-time and on-going monies.

The bill which finished the spending funds for FY 2014, was amended and passed in the Senate Appropriations Committee. The bill, HB 1040, had a few surprises to two of us. One concern was an attachment of \$400,000 for upgrades to three county courthouses: Pennington, Beadle, and Meade. The two of us felt these should have been filed as a bill, not slipped into HB 1040 as an amendment.

Monday afternoon we acted on 22 bills. Procrastination will almost always come back to haunt you and your Senate is no exception. Deferring bills until a later date will add up as we near the end of session. Twenty-two bills were settled late into the day.

HB 1177, which was the House version of texting while driving, was amended in the Senate. It changed the bill from a measly \$25 fine, law officers had to have another reason to stop the driver, and eliminated individual communities and counties from enacting stronger laws, to a fine of up to \$500, law officers can stop a violator if the violator is seen texting and driving, and cities can enact their own laws if they choose. The law would be statewide. The amendment passed 22-13 as did the amended bill 22-13. I voted "yea" on both. The bill returned to the House and was not even heard on the House floor, but was sent to a conference committee by the Speaker and was killed. After that, a new conference committee was created and a new compromise was accomplished. As it now stands driving and texting carries a \$100 fine, but is a secondary offense, and cities and counties can enact their own penalties. This was passed by the House 52-18 and finally by the Senate 28-7. I voted for the bill, but am not happy that it is a secondary offense.

The eight communities and Pennington County can continue as they have since they enacted their own texting and driving laws.

A bill to authorize the Board of Regents to expand university facilities at the

USD Research Park located in Sioux Falls. The amount of \$1 million was approved by the Senate 35-0, and then passed the House 63-7. This bill, HB 1175 had originally passed the House 49-20. HB 1164 concerning provisions regarding school board opening day decision petitions failed 17-18. I voted "no." It was asked to be reconsidered and was 23-12. Next it was amended and passed 19-16. Again, I voted "no". HB 1099 was to revise the membership on the State Investment Council. This is the number 1 Investment Council in the United States and we thought we could improve on it. It failed 16-19 in the Senate after passing in the House 64-6. I voted "no."

Wednesday morning we received the proposed amendments to the Fiscal Year 2015 General Bill. There are 42 proposals to change the Governor's Budget request. Each proposal will be heard Thursday or Friday in the Joint Appropriations Committee and decided, if not before.

Thursday morning I served on two six-member conference committees to reach an agreement between the Senate and the House. Both bills needed an emergency clause in them, so funding could be spent immediately rather than waiting until July 1st, the beginning of the FY 2015 year. One bill was for pre-paying bonds that the Governor suggested and the other was for the South Dakota Veteran's Home. Construction bills were coming in and needed to be paid now rather than waiting until July 1.

Late Thursday afternoon, after several recesses, we acted on 10 bills. All of the bills have had considerable debate in prior days of session and committee meetings.

Friday, the final day of the 2014 Legislative Session, the Joint Appropriations Committee voted on the 42 amendments to the 2014-15 General Bill. Thirty-two of these bills were tabled with most of them not having any discussion. Obviously, fates of many of these bills were decided before the committee met. Among these amendments that failed was an amendment from the Department of Social Services to reduce the FY15 budget by the same amounts as in the FY14 budget even though there was a considerable reduction in Medicaid eligibles. The JAG program funding for \$250,000, the Teach for America amendment for \$250,000, the Critical Teaching and Needs Based Scholarships funding for \$300,000, the Teen Court fund for \$150,000 were examples of amendments that did not survive.

All of the amendments that we did pass, passed unanimously. They were "easy ayes." We increased the Governor's proposed budget 1 percent to certain medical service providers. We also added \$16.72 to the per student allocation for K-12. This is targeted to teacher pay.

Please remember, we are 51st in average salaries of public school teachers with \$39,018. Our neighbor to the north, North Dakota is the closest to us at 43rd with \$47,344. Mississippi is 50th at \$41,814. The average of the United States is \$56,103. These pieces of data are compiled from the NEA Research, based on the 2013 database. I do believe we are getting "a bang for our buck."

# Legislators locate \$2.2 million to give teachers extra bump

By Bob Mercer  
State Capitol Bureau

PIERRE – The Legislature suspended its rules Friday night to give school districts an additional \$2.2 million in state aid to spend on teacher salaries in the coming year.

Lawmakers still haven't fully refilled the cut from 2011, however. The 3.3 percent increase for the coming year will take state aid per student to \$4,781.14. School boards sought \$4,804.60 to get back to the pre-cut amount.

The \$2.2 million came on top of the 3 percent increase that Gov. Dennis Daugaard had recommended.

"That's something to be proud of," Senate Republican leader Tim

Rave of Baltic said.

A legislative study committee submitted a resolution at the start of the 2014 session stating South Dakota had a teacher shortage.

Senate Republicans killed it in January without saying a word against it.

But the two parties came together Friday night to approve the extra money 35-0.

"It's nice to know you did hear us about the need," Sen. Chuck Welke, D-Warner, said. "Unfortunately all our ideas were killed and we were told at the time there was not enough evidence."

In the House, Rep. Justin Cronin said a letter of intent might be needed to ensure school districts use

the money for teacher salaries.

"This is a step in the right direction," said Cronin, R-Gettysburg. "It will make a difference."

South Dakota would need to pay its teachers an additional \$2,800 apiece to pull ahead of Mississippi into forty-ninth place among the 50 states, according to House Democratic leader Bernie Hunhoff of Yankton.

"I think we're starting to recognize there is a problem," Hunhoff said.

House members voted 69-0 for the extra money. Teachers will receive approximately \$220 apiece in their base pay if the \$2.2 million is evenly distributed.

# GOED investigations lead to further fraud protections

By Bob Mercer  
State Capitol Bureau

PIERRE – People applying for some positions in the Governor's Office of Economic Development would need to pay for criminal background checks under a new requirement approved by Legislature.

That change, which awaits a decision from the governor, is one of many under way or being considered within state government, in response to the financial reviews and investigations during the past year involving GOED and the late Richard Benda.

State Auditor Steve Barnett will hold a public hearing March 25 on new rules he's proposing for expense vouchers from state government employees.

Barnett wants to set a 60-day time frame for submitting vouchers and require an explanation in writing when that limit is exceeded. He also wants to require the governor's signature on cabinet members' vouchers.

The state Bureau of Human Resources

meanwhile is taking steps to make employees and supervisors more aware of state laws and regulations regarding fraud, its consequences and routes for reporting improper activities.

Benda was secretary of tourism and state development from 2006 through early 2011 in cabinet of then-Gov. Mike Rounds. GOED was part of Benda's scope of responsibilities.

An investigation by the state attorney general and subsequent auditing and reviews found a variety of weaknesses and failings.

They ranged from Benda being double-paid for airline tickets to China and Las Vegas to reimbursements for tens of thousands of dollars in undocumented or poorly receipted travel expenses.

Benda also was found to have increased the amounts of two Future Fund grants during the last month that he and Rounds were in office.

Federal authorities sought information about Benda and other undisclosed topics in March 2013, triggering a

series of probes within state government at the request of Gov. Dennis Daugaard.

Benda's body was found Oct. 22 on a farm near Lake Andes. He died from what authorities determined was a self-inflicted shotgun blast to his abdomen suffered Oct. 20.

He is believed to have been aware of the attorney general's investigation and possibly knew of the first financial review by an outside accounting firm commissioned in early October.

The state Bureau of Finance and Management is working with a variety of other state departments and offices on additional safeguards on travel reimbursements, such as requiring dates of travel to be tracked, submitting expenses no later than monthly, and allowing only one out-of-state trip per voucher.

The Legislature's joint committee on government operations and audit held its first hearing on the GOED and Benda matters March 7.

The committee will meet at least once more,

according to its chairman, Sen. Larry Tidemann, R-Brookings.

He said the 10-legislator panel wants to look at the Future Fund grant program including its results.

"It's accountability," Tidemann said.

The Future Fund grants began in 1987 under then-Gov. George S. Mickelson and are funded through a fee charged to all businesses that pay into South Dakota's unemployment insurance program.

The fund is exclusively under the governor's control without any legislative oversight or public notice required.

Rounds distributed approximately \$75 million of Future Fund grants during his eight years as governor. The grants flow through GOED.

Rounds made 745 grants from the program, including 145 totaling \$21.4 million in 2010, his last year in office, according to an analysis by the Pierre Capital Journal.

The newspaper reported that nearly 30 were made during his final month as governor.

## VERMILLION POLICE DEPARTMENT PRESS BRIEFING

03/09/14 12:35 – Caller requested help with getting her son who was staying with his father. She stated that she had information that the son was injured during his stay with his father. The son had a fresh cut on his forehead. The father said the son had gotten into the garbage and cut himself on some broken glass.

03/09/14 15:42 – Caller reported his prescription medication stolen. Caller told the responding officer that his sister picks up his medication and delivers it to his work, because he does not have transportation. When he got his medication several of the pills were missing and he suspects his sister. The sister denies taking any medication and has decided to stop picking up the caller's medication. Officers were unable to prove a crime had occurred.

03/09/14 19:14 – Officers investigated a two-vehicle non-injury accident. One of the vehicle was being pushed back home and the driver became distracted, then ran into the other vehicle.

03/10/14 14:00 – Fraud Alert – A local resident received a letter stating she had won \$257,000, and there was an enclosed check for over \$4,000. The letter gave direction for receiving the award, which

would have involved depositing the check and sending a "processing fee" to get the remaining funds. This is a fraud the deposited check is eventually found to be a fake and the victim (winner) is out the money sent for the Processing Fee.

03/11/14 15:40 – Officers responded to a car accident involving a vehicle that had backed into a parked vehicle and then left the area. A witness, an 11-year-old boy, had gotten a car description and license plate for the vehicle that left. Officers located the vehicle and driver. The driver admitted to driving the vehicle at the time of the accident but did not know she struck another vehicle. The driver did not have a valid driver's license and was cited accordingly.

03/12/14 01:50 – An officer stopped a car that failed to yield at a red flashing light and turned directly in front of the patrol car almost causing a collision. The driver had been drinking and submitted to a breath test showing a Br.A.C. of .127. The driver was arrested for DWI.

03/12/14 08:17 – Fraud Alert – A local business received a phone order for a large amount of product to be picked up in a few days. A credit card was provided to pay for the order. There were several

inconsistencies and the business owner canceled the owner. Often these orders are filled and picked up. Then the suspect will contest the charge on the credit card and get the charge reversed.

03/12/14 09:55 – School resource officer assisted the truancy officer with a home visit regarding a child who was chronically absent from school. The mother was sleeping when contacted and was not aware that her child had not gone to school.

03/12/14 14:55 – Caller reported loud arguing going on at a neighbor's house and feared an assault may occur. Officer found the neighbors were playing a video game and the loud yelling was good-natured.

03/12/14 18:22 – Caller asked for advice regarding a situation. The caller had been in an Internet relationship and had received two pieces of jewelry from the other person. The caller had told his Internet pal that he was seeing a girl locally. The pal demanded the jewelry back and when the caller said no, a bill for the jewelry arrived in his e-mail. The officer gave limited legal advice explaining the small claims process.

03/15/14 02:42 – Caller reported loud music coming from a neighbor's apartment. Officers contacted the neighbor

who apologized for the loud music and turned it down.

03/15/14 08:41 – Caller reported a hit and run accident. The suspect vehicle had left the roadway and struck a trailer that in turn had damaged a telephone pedestal. Under investigation.

03/15/14 09:15 – Caller reported his adult grandson missing. Caller said the grandson had been missing for three days and he was concerned for his safety. Officers investigated and eventually located the grandson at a friend's home.

03/15/14 10:23 – Caller requested officers locate and check the welfare of a friend who had not called for days, which was very unusual. Officers eventually located the man who had lost his phone a few days earlier and had not replaced it yet.

03/15/14 16:56 – Officers contacted a man in the hallway at the Public Safety Building because he wanted to recover some property from an inmate. The man was very intoxicated and a routine records check showed he was on probation with condition not to consume alcohol. The man was arrested at the request of his court services officer.

Total Records: 15

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