

# Interim Joint Committee on Appropriations 2024 Final Report



## Study Assignment

The Special Committee (Interim JCA) was established by the 1974 Legislature in SDCL 4-8A-2. The nine members appointed to each of the House and Senate Appropriations committees during regular legislative sessions also serve on the Interim JCA. The committee meets at the call of the chair or co-chairs between regular legislative sessions. The committee serves to release sums of money from any general contingency fund; to continually review, evaluate, and coordinate state fiscal and budgetary policy including, but not limited to, the adoption of any new programs by any department of state government; and to carry out any assignments made by the Executive Board of the Legislative Research Council.

## Summary of Interim

The Interim JCA has held two meetings so far during the 2024 Interim, plans to hold another meeting on November 14, and may have another meeting in early December.

During the first meeting, held in Pierre on May 21, 2024, the Interim JCA:

- Approved Letters of Intent. A Letter of Intent (LOI) supplements an appropriation approved by the Legislature and enacted into law. It outlines policy guidelines for state agencies and expresses particular views held by the JCA when approving the appropriation. These guidelines do not have the direct force of statutory law and agencies are not required to follow them; however, they are used by the JCA to conduct fiscal oversight of state agencies. The following Letters of Intent were adopted by the Interim JCA:
  - **Board of Regents – Utility Alignment.** The LOI allows the universities to transfer moneys appropriated for utilities between the universities to address any surplus or shortfall in utility appropriations.
  - **Department of Transportation – Improvement and Expansion of Airport Terminals (SB 144).** The LOI covers the eligibility of moneys appropriated in SB 144 regarding airport improvement projects.
- Heard an update from the Department of Corrections on prison construction projects, specifically the new women's prison in Rapid City and the new men's prison in the Sioux Falls area, and Pheasantland Industries operations.
- Heard an update from the Department of Social Services on Medicaid expansion.
- Heard an update from the Department of Social Services, among others, on childcare grant funding and studies.
- Learned more about new federal nursing home staffing mandates from the South Dakota Association of Healthcare Organizations.
- Heard an update from the Department of Human Services on the Family Support 360 program, crisis services, and the state's continuum of care.
- Learned more from the Department of Veterans Affairs on a potential offer for the South Dakota Veterans Cemetery in Sioux Falls to purchase land.

During the second meeting, held in Pierre on July 30, 2024, the Interim JCA:

- Approved additional Letters of Intent.
  - **Bureau of Human Resources and Administration – Construction Project Reports.** The LOI directs agencies with construction projects to work with the State Engineer to produce a standard report on various items regarding the construction project and to present to the report to JCA.
  - **Department of Education – Teacher Literacy Training (HB 1022).** The LOI directs the agency to contract with the Board of Regents for providing professional development to teachers in literacy education.
- Certified the proration of fiscal year 2024 interest earnings per SDCL 4-5-30.
- Heard an update from the Bureau of Finance and Management on fiscal year 2024, including revenues, expenditures, reversions, transfers, and American Rescue Plan Act spending.
- Heard an update from the Bureau of Finance and Management on Inflation Reduction Act programs.
- Learned more about annual Victims of Crime Act grants from the Department of Public Safety and new victims' services grant funding through SB 168 from the Attorney General.
- Heard a further update from the Department of Social Services on Medicaid expansion.
- Heard a further update on prison construction projects from the Department of Corrections.
- Learned more about the Governor's House program from the Department of Corrections and the South Dakota Housing Development Authority.
- Heard fiscal year 2025 revenue projections from both the Legislative Research Council and the Bureau of Finance and Management.
- Heard a presentation from the Legislative Research Council on the potential fiscal impact of Initiated Measure 28, which would prohibit taxes on anything sold for human consumption.

For its upcoming meeting on November 14, the Interim JCA is expecting to:

- Hear an additional update on prison construction from the Department of Corrections, including the guaranteed maximum price for the new men's prison.
- Review revenues to date in fiscal year 2025.
- Hear an update on federal nursing home staffing mandates.
- Learn more about emergency medical services initiatives from the Department of Health.
- Learn more about victims' services grant funding awards from SB168.
- Learn more about the steps to date regarding the construction of the South Dakota Shooting Sport Complex.
- Hear letter of intent reports from various agencies.

### Summary of Meeting Dates and Places

During the 2024 Interim, the Interim JCA has held two meetings to date and plans to hold a third. The committee may hold a fourth meeting in early December. All the meetings were held in Pierre.

### Listing of Committee Members

Senator Jean Hunhoff Lead Co-Chair, and Representative Mike Derby, Co-Chair. Senators: Bryan Breitling, Jim Bolin, Jack Kolbeck, Red Dawn Foster, Ryan Maher, John Wiik, Dean Wink, and Larry Zikmund. Representatives: Tony Venhuizen, Chris Karr, John Mills, Chris Kassin, Lance Koth, Dennis Krull, Ernie Otten, and Linda Duba.

### Listing of Staff Members

Jeff Mehlhaff, Deputy Director and Fiscal Chief; Senior Fiscal Analysts: Joslyn Jessop and Joey Knofczynski; and Fiscal Analysts: Bill Douglas, Mitch Honan, and Bill McDonald.

