

Draft Interim Committee Minutes

Government Operations and Audit Committee

The second interim meeting of the Government Operations and Audit Committee was called to order by Representative Marty Overweg at 9:00 AM on July 21, 2026, in Room 412 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering roll call: Sen. Karr (remote), Sen. Foster, Sen. Grove, Sen. Otten, Rep. Auch, Rep. Lems, Sen. Howard, and Rep. Overweg. Rep. Emery and Rep. Moore were excused.

Staff members present included Mitch Honan, Fiscal Analyst; Jacob Carlson, Senior Research Analyst; and Kaitlyn Baucom, Administrative Specialist.

NOTE: For the purpose of continuity, the following minutes are not necessarily in chronological order. All referenced documents distributed at the meeting are hyperlinked to the document on the Legislative Research Council website. This meeting was live streamed. Each section contains a hyperlink to the time stamp pertaining to that item in the archived live stream available at sdlegislature.gov.

Approval of Minutes

Senator Ernie Otten moved, seconded by Senator Taffy Howard, to approve the minutes of the [June 30, 2026](#), Government Operations and Audit Committee meeting. The motion prevailed on a voice vote. [\(1:06\)](#)

Performance Management Reviews

Neal Nachtigall, Bureau of Information and Technology, shared the Bureau of Information and Technology (BIT)'s performance management reviews. [2. BIT Performance Measures \(2:02\)](#)

Neal Nachtigall, Bureau of Information and Technology, and Heather Perry, Bureau of Information and Technology, answered questions from the committee. [\(15:43\)](#)

Neal Nachtigall, Bureau of Information and Technology, shared BIT's goals. [2. BIT Performance Measures Proposed Changes \(28:30\)](#)

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to acknowledge receipt of the performance management review submitted by BIT pursuant to SDCL 2-6-37. The motion prevailed on a voice vote. [\(30:26\)](#)

Melissa Magstadt, Department of Health, shared performance indicators from the Department of Health (DOH) and answered questions from the committee. [2. DOH Performance Measures](#) [2. DOH Performance Measures Proposed Changes](#) [2. DOH Performance Measures Slides \(32:18\)](#)

Senator Taffy Howard moved, seconded by Representative Karla J Lems, to acknowledge receipt of the performance management review submitted by DOH pursuant to SDCL 2-6-37. The motion prevailed on a voice vote. [\(1:27:11\)](#)

Melissa Magstadt, Department of Health, shared information on the Rural Health Transformation Project and answered questions from the committee. [2. DOH Rural Health Transformation Presentation](#) [2. DOH Rural Health Transformation Access Handout](#) [2. DOH Rural Health Transformation Communications Activity Report](#) [2. DOH Rural Health Transformation Handout \(1:27:41\)](#)

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to go into Executive Session to hear the confidential report from the Department of Corrections (DOC). The motion prevailed on a voice vote. [\(2:13:02\)](#)

The Government Operations and Audit Committee went into executive session at 11:25 AM. [\(2:13:47\)](#)

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to come out of Executive Session. The motion prevailed on a voice vote. ([2:13:53](#))

The Government Operations and Audit Committee came out of executive session at 11:50 AM. ([2:13:53](#))

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to acknowledge receipt of the juvenile corrections reports submitted by DOC pursuant to SDCL 26-11A-33.1. The motion prevailed on a voice vote. ([2:14:13](#))

Annual Report from the South Dakota High School Activities Association

Daniel Swartos, South Dakota High School Activities Association, shared the South Dakota High School Activity Association's report and answered questions from the committee. [4. SDHSAA Presentation](#) ([2:14:44](#))

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to acknowledge receipt of the report submitted by the South Dakota High School Activities Association pursuant to SDCL 13-36-4. The motion prevailed on a voice vote. ([2:42:50](#))

Annual Reports about the Building South Dakota Programs

Amy Miller, Department Of Education, provided information on the Workforce Education Fund. [5. DoE Workforce Education Fund](#) [5. DoE Workforce Education Fund data](#) ([2:43:57](#))

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to acknowledge receipt of the report on the Workforce Education Fund submitted by the Department of Education pursuant to SDCL 1-16G-49. The motion prevailed on a voice vote. ([2:48:08](#))

Chas Olson, Housing Development Authority, shared information about the Housing Opportunity Fund and the Housing Infrastructure Financing Program and answered questions from the committee. [5. GOED SDHDA HIFP Development Awards](#) [5. GOED SDHDA HOF Annual Report 2026](#) [5. GOED SDHDA HOF HIFP Presentation](#) [5. GOED SDHDA Project Map Final](#) ([2:48:55](#))

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to acknowledge receipt of the reports on the Housing Opportunity Fund and the Housing Infrastructure Financing Program submitted by the South Dakota Housing Development Authority pursuant to SDCL 1-16G-49. The motion prevailed on a voice vote. ([3:23:03](#))

Joe Fiala, Governor's Office of Economic Development, shared information about the Local Infrastructure Improvement Program, Reinvestment Payment Program, South Dakota Jobs Grant Program, and Economic Development Partnership Program and answered questions from the committee. [5. GOED Building SD Programs](#) ([3:24:08](#))

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to acknowledge receipt of the reports on the Local Infrastructure Improvement Program, Reinvestment Payment Program, South Dakota Jobs Grant Program, and Economic Development Partnership Program submitted by GOED pursuant to SDCL 1-16G-49. The motion prevailed on a voice vote. ([4:02:06](#))

Future Fund Report

Bill Even, Governor's Office of Economic Development, shared the Future Fund Report and answered questions from the committee. [6. GOED Future Fund Report 2026 \(4:03:18\)](#)

Senator Taffy Howard moved, seconded by Senator Ernie Otten, to acknowledge receipt of the Future Fund Report. The motion prevailed on a voice vote. (4:20:30)

Annual Habitat Stamp Itemized Expenditure Report

Tom Kirschenmann, Department of Game, Fish and Parks, shared the Habitat Stamp Report. [7. GFP Habitat Stamp All Projects Itemized List 7. GFP Habitat Stamp \(4:22:05\)](#)

Senator Taffy Howard moved, seconded by Representative Karla J Lems, to acknowledge receipt of the annual Habitat Stamp Itemized Expenditure Report submitted by the Department of Game, Fish and Parks pursuant to SDCL SDCL 41-6-86. The motion prevailed on a voice vote. (4:36:47)

Public Comments

The following individuals offered public comments: [\(4:37:31\)](#)

William Waggoner, Self [\(William Waggoner, Self Handout\)](#)

Gwen Meyerink, Self [\(Gwen Meyerink, Self Handout\)](#)

Chad Bishop, Self [\(Chad Bishop, Self Handout\)](#)

Christine A Keaton, Self [\(Christine A Keaton, Self Handout\)](#) [\(Christine Keaton, Self Handout\)](#)

Adjournment

Senator Taffy Howard moved, seconded by Representative Julie Auch, that the Government Operations and Audit Committee be adjourned. The motion prevailed on a voice vote. (5:12:36)

The Government Operations and Audit Committee adjourned at 3:15 PM.