

JOURNAL OF THE SENATE

NINETY-FIFTH SESSION

SECOND DAY

STATE OF SOUTH DAKOTA
Senate Chamber, Pierre
Wednesday, January 15, 2020

The Senate convened at 1:00 p.m., pursuant to adjournment, the President presiding.

The prayer was offered by the Chaplain, Pastor Craig Wexler, followed by the Pledge of Allegiance led by Senate page Daniel Choate.

Roll Call: All members present except Sens. Steinhauer and Wismer who were excused.

APPROVAL OF THE JOURNAL

MR. PRESIDENT:

The Committee on Legislative Procedure respectfully reports that Secretary of the Senate has had under consideration the Senate Journal of the first day.

All errors, typographical or otherwise, are duly marked in the temporary journal for correction.

And we hereby move the adoption of the report.

Respectfully submitted,
Brock L Greenfield, Chair

Which motion prevailed.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

COMMUNICATIONS AND PETITIONS

December 16, 2019

The Honorable Larry Rhoden
 President of the Senate
 State Capitol
 Pierre, SD 57501

RE: Brian Zeeb/Interstate Commission for Adult Offender Supervision

Dear President and Members of the Senate:

Pursuant to the provisions of Chapter 24-13 of the South Dakota Codified Laws and subject to your consent, I have the honor to inform you that I have reappointed Brian Zeeb, to the Interstate Commission for Adult Offender Supervision.

Enclosed is a copy of the following:

- 1. The Statement of Financial Interest
- 2. Senate Confirmation Information
- 3. Oath
- 4. The September 11, 2019 letter of reappointment

This reappointment is effective immediately, and shall continue until August 23, 2022.

Sincerely,
 Jason Ravnsborg
 Attorney General

The President announced the referral of the reappointment to the Committee on Judiciary.

REPORTS OF JOINT-SELECT COMMITTEES

MR. PRESIDENT:

Your Joint-Select Committee appointed to make arrangements for a Memorial Service for deceased former members of the South Dakota House of Representatives and Senate respectfully reports that they recommend that the House of Representatives and Senate recess and convene in the House Chamber at 3:00 p.m. on January 23, 2020, and that a Joint Memorial Resolution be introduced in their memory by their colleagues in the House of Representatives and Senate.

A short program will follow the introduction of the Memorial Resolution. At the conclusion of the Memorial Service, the Joint Session will be dissolved.

The Memorial Resolution shall be printed in the House and Senate Journals.

Respectfully submitted,
 Timothy R. Johns
 Steven G. Haugaard
 Steven D. McCleerey
 Nancy Rasmussen
 House Committee

Respectfully submitted,
 Gary Cammack
 Rocky Blare
 Susan Wismer
 Senate Committee

1

MESSAGES FROM THE HOUSE

2

MR. PRESIDENT:

3

I have the honor to inform your honorable body that the House has approved the adoption of the permanent joint rules of the Ninety-fourth Legislative Session with the recommended changes to those joint rules for the Ninety-fifth Session as adopted in March, 2019 as the temporary joint rules for the Ninety-fifth Legislative Session.

4

5

6

7

Also, MR. PRESIDENT:

8

I have the honor to inform your honorable body that the House has appointed Reps. Johns, Haugaard, McCleerey, and Rasmussen as a committee of four on the part of the House to meet with a committee of three on the part of the Senate for the purpose of arranging for a memorial recognition of deceased former members of the House and Senate.

9

10

11

12

13

Respectfully,
Mary Lou Goehring, Chief Clerk

14

MOTIONS AND RESOLUTIONS

15

Sen. Langer moved that when we adjourn today, we adjourn to convene at 1:00 p.m. on Thursday, January 16, 2020 the 3rd legislative day.

16

17

Which motion prevailed.

18

FIRST READING OF SENATE BILLS AND JOINT RESOLUTIONS

19

The following bills were read on January 14, 2020, and today the President assigned these bills to committees:

20

21

SB 37, 38, 40, 41, 42, and 43 were referred to the Joint Committee on Appropriations.

22

SB 36 was referred to the Committee on Appropriations.

23

SB 39 was referred to the Committee on Education.

24

SB 44, 46, and 47 were referred to the Committee on Judiciary.

25

SB 33 and 35 were referred to the Committee on Military and Veterans Affairs.

26

SB 31, 32, and 34 were referred to the Committee on Retirement Laws.

27

SB 45 was referred to the Committee on State Affairs.

28

SB 30 was referred to the Committee on Transportation.

29

Sen. Heinert moved that the Senate do now adjourn, which motion prevailed and at 1:15 p.m. the Senate adjourned.

30

31

Kay Johnson, Secretary

JOINT SESSION

1
2 The Senate convened with the House of Representatives in the House Chamber for the purpose
3 of receiving a message from the Chief Justice of the Supreme Court, David Gilbertson. The President
4 of the Senate, Larry Rhoden, presided.

5 The following prayer was delivered by Bishop Emeritus David B. Zellmer, South Dakota Synod
6 of the ELCA, Sioux Falls, South Dakota:

7 Lord of all, you have declared what is right: to seek justice, to love kindness, and to walk
8 humbly with you. We give thanks and praise for Chief Justice David Gilbertson for his many years
9 of dedicated service to the people of South Dakota. For his wise and fair counsel and rulings, and
10 more importantly, for how he has guided the court system to ever more effectively and appropriately
11 serve all of the people of South Dakota. Bless our judges and courts, juries and law officers, in and
12 across this state. Guard them from retribution and from corruption, give them the spirit of wisdom
13 that they may perceive the truth and administer the law impartially as instruments of your divine
14 will.

15 We pray for Governor Noem, our Senators and Representatives, and all elected and appointed
16 officials that they might govern wisely and fairly, and that the common good might be lifted up.

17 In your holy name, we pray. Amen.

18 The Secretary of the Senate, Kay Johnson, called the roll of the Senate and the following
19 members were present:

20 Blare; Bolin; Cammack; Castleberry; Curd; Duhamel; Ewing; Foster; Greenfield, Brock;
21 Heinert; Jensen, Phil; Kennedy; Klumb, Kolbeck; Lake; Langer; Maher; Monroe; Nesiba;
22 Novstrup, Al; Otten, Ernie; Partridge; Rusch; Russell; Schoenbeck; Schoenfish; Smith, VJ; Soholt;
23 Stalzer; Steinhauer; Sutton; White; Wiik; Wismer; Youngberg.

24 The Chief Clerk of the House of Representatives, Mary Lou Goehring, called the roll of the House
25 and the following members were present:

26 Anderson; Bartels; Barthel; Beal; Borglum; Brunner; Chaffee; Chase; Cwach; Dennert;
27 Deutsch; Diedrich; Duba; Duvall; Finck; Frye-Mueller; Glanzer; Goodwin; Gosch; Greenfield, Lana;
28 Gross; Hammock; Hansen; Healy; Howard; Hunhoff; Jensen, Kevin; Johns; Johnson, Chris;
29 Johnson, David; Karr; Koth; Latterell; Lesmeister; Livermont; Marty; McCleerey; Mills; Milstead;
30 Miskimins; Mulally; Olson; Otten, Herman; Overweg; Perry; Peterson, Kent; Peterson, Sue; Pischke;
31 Post; Qualm; Randolph; Rasmussen; Reed; Reimer; Ring; Rounds; Saba; Smith, Jamie; St. John;
32 Steele; Sullivan; Wangsness; Weis; Wiese; Willadsen; York; Zikmund; Speaker Haugaard.

33 Sen. Langer moved that a committee of three on the part of the Senate and a committee of
34 four on the part of the House be appointed to escort Chief Justice David Gilbertson to the rostrum.

35 Which motion prevailed and the President announced as such committee Sens. Langer, Bolin,
36 and Heinert on the part of the Senate and Reps. Qualm, Beal, Smith, and McCleerey on the part of
37 the House.

1 The Lieutenant Governor, Larry Rhoden, introduced the Honorable David Gilbertson, to deliver
2 the State of the Judiciary Address.

3 The Sergeant at Arms announced the arrival of Chief Justice David Gilbertson who was escorted
4 to the rostrum.

5 Sen. Langer moved that the Joint Session do now dissolve.

6 Which motion prevailed.

7 Pursuant to the Communication found on page 7 of the Senate Journal, the following is
8 Governor Kristi Noem's State of the State Address which was delivered at the Joint Session on
9 January 14, 2020.

10 **2020 State of the State Address**

11 Lieutenant Governor Rhoden, Mr. Speaker, members of the legislature, Chief Justice Gilbertson,
12 Justices of the Supreme Court, constitutional officers and fellow South Dakotans. It is my privilege
13 to stand before you today to discuss the state of our state.

14 Just 14 days ago, we turned the page not only on a new calendar year, but also on a new decade.
15 And today, we kick-off a new legislative session. Last year, we found so many ways to work together
16 to give greater freedoms to our people, promote our outdoor heritage, and restrict the endless
17 expansion of government into our daily lives. This year, it is my hope that we will find even more
18 opportunities to work together – advancing commonsense solutions to the problems we can solve
19 on behalf of the people of this great state.

20 One of the things I was taught as a kid was that you don't just complain about things; you work to
21 fix them.

22 And as this year's session starts, we must keep in mind that we are looking, not just at the short
23 term, but at the long term too.

24 Fifty-nine years ago, almost to the day, President Eisenhower, in his farewell address, warned the
25 nation to avoid the impulse of living only for today. He spoke candidly about how wrong it would be
26 to mortgage the future of our grandchildren because it would lead to the loss of their political and
27 spiritual heritage. He said, "We want democracy to survive for all generations to come, not to
28 become the insolvent phantom of tomorrow."

29 As you may recall in my inaugural address, I told you about my desire to be a governor for the next
30 generation. The north star that guides my every decision is the impact a policy, a piece of legislation,
31 or program will have, not only on South Dakotans today, but also on the next generation.

32 I grew up with a Dad who dreamed of all four of his kids being able to stay on the family ranch if
33 they wanted to. My vision for South Dakota is the same. We must ensure that every South Dakotan
34 can build their life here and make a good living, so they can provide for their families and maintain
35 our traditions and way of life. This is why I am committed to four pillars of protection for South
36 Dakotans: keeping taxes low, limiting government regulation, fighting government intrusion, and
37 keeping government open and honest.

38 With a year under our belt, I'm proud to stand before you and say we accomplished a lot in 2019,
39 and we did it all without raising taxes and without spending more than we took in. And unlike Illinois,
40 New York, and many other states, we are seeing a net increase in our population. Why? Because

1 Americans are looking for the opportunities that present themselves in states that encourage self-
2 government like we do here in South Dakota.

3 And to all the business prospects we've been recruiting, I'd like to make the case here and now
4 about why you should join us in South Dakota.

5 Anyone who has spent time here realizes what great people we have in South Dakota - our work
6 ethic and values are second to none.

7 We don't have a corporate income tax. And there's also no business inventory tax.
8 For our hard-working residents, we are one of the few remaining states with no personal income tax
9 - and I am committed to keeping it that way.

10 We don't burden our citizens with a personal property tax or an inheritance tax.

11 The taxes that we do have to fund state government are stable and predictable. In addition to my
12 commitment to not raising taxes, our constitution requires a 2/3rd vote in both chambers to raise
13 taxes. In short, if you're worried about tax increases, you needn't be - your business is safe here.
14 Government in South Dakota lives within its means. We balance our budget without accounting
15 gimmicks or tricks.

16 I'm proud of our AAA credit rating and our state pension plan is fully funded. That means businesses
17 that move here don't need to worry about surprise charges, fees or taxes to make up for an unfunded
18 pension plan like our neighbors in Illinois.

19 In South Dakota, we believe in smart regulation. We roll out the red carpet, not the red tape.

20 Our part-time legislature is one of just a few that is a true citizen legislature. Our legislators come
21 to Pierre, tackle the problems that need to be tackled that session, and then go home to their jobs,
22 their families, and their communities.

23 Our state parks and outdoor recreational opportunities are second to none. There's a reason we are
24 the pheasant capital of the world.

25 I have traveled all across this country and around the world, and I can tell you, there is no better
26 place to operate a business and raise a family than in South Dakota.

27 For employers and employees alike, my goal is to make sure folks across the country and around
28 the world know that South Dakota is THE PLACE to do business. Whether you've owned and operated
29 a business for four generations, or you're looking to start or even relocate your current operation, I
30 want my message to be crystal clear: South Dakota is OPEN for business.

31 In the next few minutes, I'm going to walk you through some of the specifics of what we were able
32 to accomplish this last year and what we're looking to do in 2020 and beyond.

33 A priority of my administration has been to open up South Dakota's government and make it more
34 accountable, more accessible, and the most transparent it has ever been. It was Thomas Jefferson
35 who said the whole art of government is honesty. He was right. A government that cannot be trusted
36 by the people is no longer serving one of the primary purposes of government: to preserve the
37 blessings of liberty.

38 We have taken many steps over the past year to advance this important goal.

39 As I highlighted in the budget address, we expanded the capabilities of Open.SD.Gov.

40 We took to heart the importance of fact-based reporting as a key component of holding government
41 accountable, so I asked for a reporter shield law and - together - we got that done.

42 We took advantage of free technology like YouTube and Facebook Live to bring information directly
43 into the living rooms of South Dakotans. And we are currently working with the Municipal League
44 and local governments to find a way to get their meeting materials online like we do at the state

1 level. In other words, we are making participation in government easier for every South Dakotan,
2 and modern communications tools are incredibly helpful to open government in a state as large as
3 ours.

4 It is my desire to be the most connected governor the state has ever seen. This includes bringing
5 my administration to every corner of the state and advocating for our great state all across the
6 country. Over the course of this first year, we held official events in nearly 30 counties. I sat down
7 and strategized with hundreds of business leaders. I have visited with teachers, soldiers, farmers
8 and ranchers. And, at the request of the Department of Tourism, I helped promote South Dakota's
9 brand and footprint throughout the nation and globally at the Macy's Thanksgiving Day Parade.

10 My team is also working to provide our communities – even the most remote ones – the tools they
11 need to be connected.

12 In America's early days, mail was delivered via post road. The Founders thought communication
13 was so important to the business of the people and the nation that they included a provision in the
14 Constitution to allow for the government to establish post roads. Well today, in the modern economy,
15 technology allows for the transportation of goods and services by way of a whole different kind of
16 post road – the internet. We want to create an environment where people aren't forced to choose
17 between the modern economy on the one hand, and life in their hometowns on the other. We must
18 make sure our people can harness the latest technology to take advantage of what has become the
19 modern equivalent of a post road.

20 Along those lines, I stood before you last year and told you we needed to set goals as a state to
21 bring our homes and businesses up to a satisfactory level of broadband access. I outlined a plan to
22 do so, so that more South Dakotans than ever before could be connected to high-speed internet. I
23 told you we couldn't do this alone – that we had to bring industry leaders to the table to help us
24 identify our gaps and outline a plan to bridge them.

25 Let me provide you with an update on where things stand today.

26 In March, you approved \$5 million dollars to be used as matching funds for broadband improvement.
27 The Connect South Dakota program, which launched in May, brought in a total of \$12.2 million
28 dollars.

29 Because the state now has a plan in place, South Dakota companies have been awarded additional
30 points on their applications for USDA Reconnect grants. This is a federal program that provides
31 funding for telecommunications updates. In December, this federal program awarded another \$9.5
32 million dollars in high-speed broadband infrastructure that will create or improve connectivity for
33 more than 1,750 homes in rural South Dakota.

34 Combined, that means our \$5 million dollars has resulted in a \$25 million investment in underserved
35 areas – touching 6,500 homes and nearly 150 businesses.

36 Let me tell you two stories about this work.

37 In March of last year, we received a letter from a young couple, the Johnson family. They had
38 recently built a new home in the rural area east of Dell Rapids. They built their home on farm land
39 that has been in the family for five generations. They had all the latest technology – smart switches,
40 smart alarms, smart thermostats – technology that would provide greater convenience and, in some
41 cases, even insurance discounts. But there was one problem... they couldn't use any of it because
42 they didn't have broadband access. They didn't have what they needed for their career, their
43 business, or their kids' school work. One line from the letter that still sticks with me today is "Our
44 daily struggles due to lack of broadband seem so ridiculous in a time when everything relies on
45 being connected."

46 There's also the story of the Linderman family. John and Patty own the only grocery store in Timber
47 Lake, on the Cheyenne River Reservation. The next nearest grocery store is 40 miles. They didn't
48 have high-speed internet either. For them, that meant they couldn't provide their customers with
49 credit card, debit card, or WIC and EBT payment options. They even had to do all their orders for

1 the store somewhere else. As you can guess, they lost a lot of business. But for Patty and John,
2 they were most heartbroken about sending away those with WIC purchases.

3 Fast forward to the end of last year, thanks to the work of GOED, the Johnson family and Linderman
4 business are now connected to high-speed internet.

5 The great news is that there are 6,500 more Johnson families out there and more than 150 business'
6 like the Lindermans. The rural life is their preferred way of life. They want to stay on the land their
7 grandfathers and grandmothers once farmed. They want to stay in the communities they call home.
8 These choices should not stop them from being connected to basic technologies like high-speed
9 internet.

10 While \$5 million dollars didn't fix our broadband gap overnight, it was a very strong start. More
11 needs to be done. My hope is that we can continue to work together this legislative session to
12 address more of our high-speed internet needs.

13 I started out my speech with at least 10 reasons why it's great to live and work in South Dakota.
14 And as we focus on economic progress, let me give you some good news.

15 Since my budget address, revenues have been slightly better than expected. What this means is
16 that we may have extra flexibility to achieve the things we want to accomplish. My number one
17 priority with additional, on-going money will be to provide increases to K-12 schools, providers, and
18 state employees.

19 In order to do this for many years to come, we must work together to find ways to grow our state's
20 economy. With our eyes fixed to the future, we can ensure that every South Dakotan can build their
21 life here, get good jobs, make a living and support their families.

22 Over the last year, I sat down with hundreds of business leaders across our state and across the
23 country. I listened to their ideas, needs, and concerns. And I outlined where I would like our state
24 to go this year as well as into the future for the next generation.

25 One of the bright spots in our state's economy over the last decade has been tourism. Despite tough
26 weather and an up and down economy during that time, tourism has remained strong in the face of
27 challenges and has continued to deliver good results year after year.

28 This is no small accomplishment.

29 The tourism industry has achieved nine straight years of record growth, reaching new levels of
30 visitors, spending, and overall impact on our state's economy. It is truly a revenue-generating, job-
31 creating sector for South Dakota.

32 In 2019, tourism activity directly supported more than 37 thousand jobs and 55 thousand jobs in
33 total. This is 8.8 percent of all jobs in the state – 1 out of every 11.

34 Secretary Hagen has shared with me that despite the flooding and adverse weather we faced
35 statewide in 2019, overall, the initial data his department has received is more encouraging than
36 expected. We will be sharing more about this next week.

37 In addition to those efforts, let me outline some of the other things we've been working on to grow
38 the economy last year and update you on what we're hoping to do in 2020.

39 One important and emerging sector is cybersecurity. We all know that the threat of a cyber-attack
40 is an increasing concern to individuals, businesses, and governments in every corner of the globe.
41 In May 2019, the Economic Development Administration awarded a \$1.46 million-dollar grant to
42 Dakota State University to help establish a high-speed research network. Because it is designated
43 as an Opportunity Zone, the investment will receive a \$1.46 million-dollar match in local funds.

44 For the EDA to invest its money into Dakota State is monumental. It's our academic leader in
45 cybersecurity and it has been designated a Center of Academic Excellence in Cyber Operations by
46 the National Security Agency.

1 As I've said before, I want to emphasize that we have a great opportunity to capitalize on world-
2 class talent coming out of DSU. We have a chance to lead the nation in cybersecurity. We must
3 remember to train not only this workforce, but also to attract or create new companies here in South
4 Dakota. Let's keep our graduates, at home, with great jobs and a way of life they love.

5 Of course, we all know that agriculture is the foundation of our state's economy, and we need to
6 find ways to strengthen and broaden our ag industry.

7 There's no question last year was a hard year for our farmers. But when times get tough, our people
8 stand together. South Dakotan farmers pressed on.

9 Fortunately, 2020 looks to be different. Last month, we received the fantastic news that President
10 Trump completed Phase One of a historic trade agreement with China. This new agreement is a win
11 for South Dakota producers.

12 Knowing first-hand the relentless effort that is needed to negotiate trade deals, I have a deep
13 appreciation for our President's leadership and commitment to mend the U.S-China trade
14 relationship.

15 I'm traveling to Washington to join President Trump at the White House as he signs this important
16 agreement tomorrow. And I won't be going alone; I've asked Jerry Schmitz, a South Dakota soybean
17 producer, and Craig Andersen, a South Dakota pork producer, to join me. We will all be there as the
18 President locks in this new agreement and opens up new opportunities for South Dakota ag products.

19 In 2019, we expanded our ag focus to three key areas: precision ag, production ag and value-added
20 ag.

21 South Dakota counties that are interested in pursuing production ag or livestock development now
22 have new opportunities. Our goal is to develop a lasting infrastructure devoted to agriculture for
23 generations to come.

24 Over the next 10 years, private industry, South Dakota State University, the School of Mines and
25 Technology, and the state will partner to support research and development in bioprocessing. We
26 must invest in the future of ag in our state, diversifying operations for our farmers, ranchers, and
27 timber producers. Our graduates will have a deeper understanding of how biofuels and agriculture
28 can drive change across the globe.

29 Like cyber security, South Dakota is uniquely positioned to lead the nation in the development of
30 bioprocessing, and I hope we can work together to support this initiative.

31 There is another area where we are already a leader – South Dakota is the pheasant capital of the
32 world. We know success often brings imitators. Other states are pursuing that title.

33 I stand before you today and call on every South Dakotan to get involved in the long-term
34 preservation of our habitat. Pheasant hunting is a statewide tradition. For a century we have been
35 the premier destination for hunters. And I want to make sure that title is ours in the century to
36 come. With neighboring states trying to steal away our hunters, I'm calling on all of us to recognize
37 this threat and join me in doing what it takes to improve and expand our habitat.

38 We need to continue focusing on CRP efforts. We trapped 50 thousand predators this last year, and
39 hopefully more people will find ways to participate in the Second Century Initiative. Though our
40 efforts have just begun, I'm hearing from people all over the state that birds are more plentiful.

41 I'm also pleased to announce that the bounty program we launched last year has been a success in
42 more ways than one. Game, Fish, and Parks recently conducted a survey on South Dakotan's
43 perceptions of the bounty program and the results were overwhelmingly positive. We're getting
44 more people involved in trapping and the outdoors. Hunting, trapping, and shooting are great
45 American traditions, fundamental to the culture and success of our state. These traditions help kids
46 develop respect for nature, for property rights, as well as for other people.

1 This year, Game, Fish, and Parks and the Department of Tourism will be partnering to not only
2 ensure that people in South Dakota are enjoying their great outdoors, but also that we're attracting
3 others to come to our state and do the same.

4 On a related note, in 2019, Game, Fish, and Parks began a pilot HuntSAFE program in schools across
5 the state. The goal of the course is to teach students the responsible and safe handling of firearms
6 as well as the values that come from being a true sportsman – values that should never be lost. We
7 have 32 schools that are now certified to teach the program, up from just 8 schools in 2018. I'd
8 love to see every school offer this program.

9 I talk all the time about finding ways to build up our families and a big part of that is giving people
10 access to the tools they need to be successful.

11 Occupational licensing laws represent a burden. South Dakota is prepared to be an example of
12 reform for the nation.

13 Last year, I asked that Secretary Hultman at the Department of Labor and Regulation lead an
14 extensive review of the 101 licenses required in South Dakota.

15 Overall, South Dakota's licensing system is in good shape, but there are many immediate actions
16 we can take to further reduce burdens on our small business owners.

17 In the coming weeks, we will be taking several steps toward the goal of smart regulation, including
18 simplifying licensing.

19 We will work to decrease wait time for license approval. We will find ways to increase transparency
20 by requiring Advisory Committees to adhere to Open Meeting Laws. We will review the complaint
21 and disciplinary processes for all boards and commissions. And we will identify opportunities to allow
22 reciprocity.

23 Last year, I signed into law legislation that provides for reciprocity for certain licenses for active
24 duty military personnel and their spouses. It is only right that we make it easier for them to
25 supplement their income when they're posted to duty stations here. I know that we are all so grateful
26 for their service. Would you all please join me in recognizing our military men and women?

27 Everywhere I go across South Dakota, I hear from local business owners and community
28 stakeholders that housing availability is an issue. These businesses have good paying jobs available
29 but struggle to get people to relocate to their communities because the housing choices are limited.
30 It's a classic catch-22 holding back these communities. Developers are reluctant to invest because
31 they don't want to take on the risk of building homes and having them sit empty. And folks are
32 reluctant to expand their businesses because people won't move without good housing choices.

33 I'm pleased to announce that I've asked GOED to begin utilizing the REDI fund to support multi-
34 family, workforce housing projects. Having suitable housing is economic progress. I'm confident that
35 opening up this fund will get developers to invest in communities where additional housing units are
36 most needed.

37 South Dakota has many success stories in business. It's important to remember that economic
38 progress is not possible without men and women who are willing to take risk – who are willing to
39 open a business and, for those who already have businesses, to invest even more in our state.
40 There are many great examples of this. I'd like to highlight three in particular.

41 In July 2019, I was honored to attend the grand opening for Ag Processing, Inc. – more commonly
42 called AGP. We watched this company go from the drawing board to construction to where it is
43 today. It is impressive. At capacity, AGP processes about 140,000 bushels of soybeans a day, and
44 somewhere between 50 and 55 million bushels each year. The plant is a major employer in the
45 Aberdeen area and is becoming an incredible economic driver for the northeastern part of the state.

46 Out in Rapid City, folks are building an even stronger relationship between the School of Mines and
47 the community. Expected to be completed in 2020, the new Ascent Innovation Center will be open
48 to small business owners who will be able to use the center to house start-up companies and

1 technologies. Its strategic location between School of Mines and Main Street should ignite the
2 redevelopment of that part of town. We believe this center will be instrumental in attracting the
3 next generation of workers to live in South Dakota.

4 In the eastern part of the state, big things are happening at DeGeest Steel Works of Tea. Earlier
5 this year they opened Lesta USA – a self-learning robot company. I love to see this type of expansion
6 because it shows that in-state companies recognize the advantages of doing business here and are
7 willing to invest even more of their hard-earned money into this great state.

8 Before I leave economic development, I know many of you believe industrial hemp has a promising
9 economic future.

10 And over the last year, we've had a long conversation about legalizing hemp. Everyone knows that
11 I don't think it's a good idea.

12 Last year, I vetoed a bill that didn't address concerns surrounding public safety, law enforcement,
13 or funding. I asked that we wait until we had direction from the federal government and a plan to
14 address those concerns. Now since that time, things have changed. Federal guidelines have been
15 put in place, a South Dakota tribe has been given the green light on production, and other states'
16 actions mean we need to address hemp transportation through our state. The legislative summer
17 study also did important work, and they included some good ideas.

18 I think we can all agree that we don't want to stress our already thin law enforcement resources. I
19 also think we're all in agreement that we don't want to negatively impact our drug fighting efforts
20 across the state. And given that many of our families are being ripped apart by substance abuse, I
21 know none of us want to take a step backwards as we address these issues.

22 Our primary obligation is to protect the health and welfare of our citizens, and in the interest of
23 being proactive, I am willing to sign legislation that does the following:

24 First, it must include reliable enforcement guidelines. I've detailed some of these requirements in
25 a document that I released last week. One of particular interest to me is what impact
26 decriminalization of hemp will have on other criminal drug prosecutions.

27 Second, it must include responsible regulation regarding licensing, reporting, and inspections. And
28 it will involve a minimum land area size and an appropriate fee structure for the application, annual
29 license, and inspection.

30 Third, a person must have a permit and any other needed paperwork for the transportation of it.
31 And for those who transport it without the right documentation, there must be suitable legal
32 consequences.

33 Fourth, if you add up one-time and ongoing costs, I believe this will cost about \$3.5 million dollars,
34 and there must be a plan to pay for it.

35 Given all that we need to accomplish this year, if this is going to get done, my hope is that we can
36 do it in the coming days so we can focus on our other priorities.

37 This brings us to the most important institution in the state – the family. We are blessed with great
38 families in this state. As leaders, I think I can speak for everyone here when I say, we value strong
39 families – and opportunities for our kids to be successful. Education is one important area.

40 An important aspect of education is being open to hear all points of view. Last year, we enacted the
41 country's first broad policy to protect free speech and intellectual diversity on South Dakota's college
42 campuses. I think we can all agree that our college students should hear all sides of a debate in the
43 classroom. It is important that we teach the next generation to openly discuss ideas, think
44 independently, and find ways to work together.

45 I spoke earlier about all the great work our businesses are doing across the state. But the ability
46 to hire the right employees remains a concern. Some businesses may want to expand but are met

1 with the challenge of not having enough qualified candidates. Our technical institutes are a solution
2 to this problem. They are finding ways to match skills with the needs of businesses across the state.

3 98% of our graduates are employed, continuing their education, or serving in the armed forces after
4 graduation. The system has been recognized nationally over the last five years for excellence in
5 student outcomes by groups such as the Aspen Institute and Wallet Hub. I am proud that Lake Area
6 Tech was recognized as the best two-year college in America in 2017. Mitchell Tech is also being
7 considered for the same honor as one of the top ten 2-year colleges in the nation.

8 Student success plans, enhanced scholarship support, and strong links to industry and community
9 are all factors that have had a positive impact on students. Since the Build Dakota Scholarship
10 started in the fall of 2015, the number of industry partners contributing to the program has grown.
11 This year, 242 industry partners are participating in the program, up from just 23 in 2015. The
12 partners contribute 50% of the cost of a scholarship to ensure that a graduate not only works in the
13 state of South Dakota, but also that the graduate goes to work for them.

14 Last year during my State of the State address, I challenged schools and businesses to dramatically
15 increase work experiences for our young people. The South Dakota Week of Work was born.

16 This is an important effort for our state for a couple of reasons.

17 It's a good opportunity for students to explore careers and the world of work, and opportunities
18 right here in South Dakota, connecting classrooms to careers.

19 It is good for our schools because students are motivated when they see how their classroom
20 experiences are relevant in the world. Where it makes sense, schools can align their curriculum to
21 industry needs. And it's good for our businesses because it creates a talent pool. A win-win-win.

22 I hope business leaders and school administrators will work together to connect students to the
23 opportunities right here in their own backyard. Visit www.sdweekofwork.com to sign up.

24 Many of our kids have barriers to success that come from outside the classroom. A child's potential
25 can certainly be blocked due to reasons beyond their control. Some schools in our state have started
26 a very successful program that I'd like to see expanded. Nationally, "Jobs for America's Graduates"
27 has a 96% success rate getting students through some of the challenges they face. In all of South
28 Dakota's JAG schools, it has succeeded 100% of the time. Unfortunately, only five high schools
29 currently offer the program.

30 In October, Secretary Jones and I visited the Wagner School District, and I spoke personally with
31 students in their JAG program as well as the educators and administrators who run it. The students'
32 stories were inspiring, and the teachers and mentors in the program speak proudly of their
33 graduates. Once at high risk of dropping out, they are now in college or are serving proudly in our
34 military.

35 A young woman named Tyra is an example of JAG's power. She graduated from Wagner High School
36 in 2017. Raised by her grandmother, JAG helped Tyra realize her potential as a leader, broadening
37 her world view and helping her recognize that achieving goals is possible. She spent her senior year
38 in Italy as a Rotary International Youth Exchange Scholar. She is currently in college, majoring in
39 foreign languages and literature. Tyra is part of the campus Intertribal Student Council. She has
40 spent time as an exchange student in France and has a long-term goal of becoming a linguist for
41 the Air National Guard.

42 When I met with the students in Wagner, they shared stories of raising younger siblings, parents
43 who had left or passed away, and life with drug addicted parents. Knowing those students' futures
44 are as bright as Tyra's gives me hope that we can help students overcome the barriers they face
45 through JAG.

46 I'm asking the legislature for one staff person in the Department of Education to help lead the JAG
47 program and to help it expand. Its success will mean closing the opportunity gap and creating
48 greater potential for so many students.

1 Like a strong educational foundation, a good family is important too. I'd like to thank those, who
2 out of love, have accepted the calling to be foster parents. It is my hope that their example will
3 serve as an inspiration to others to take the same path.

4 We know all too well that South Dakota is not immune from drug and alcohol abuse or the
5 devastation brought about by suicide.

6 Last year, I asked the Department of Health to lead a joint effort to develop a statewide suicide
7 prevention plan. We will soon unveil our proposal to address suicide prevention, intervention, and
8 postvention. We will also continue to focus on mental health. I hope you will support these initiatives.

9 We must also do more to address one of our biggest substance abuse issues: meth. Last year, my
10 administration launched an awareness campaign about our problem. I'm sure you've heard about
11 it.

12 Yes, it was bold. Yes, it was provocative. But it needed to be – twice as many South Dakota
13 17 year-olds reported using meth in the past year as compared to the national average.

14 I know that some people didn't like the ads. Whether you liked the ads or not, I can tell you this. I
15 have heard story after story after story of people now talking about the problem. And wanting to do
16 more to address it.

17 Here's just one story – I just recently received a note from a grandmother named Cheryle. It says
18 she and her husband were taking care of their three grandsons, ages 10, 13, and 17. They were at
19 the breakfast table when they saw the ad on TV. All listened intently. As soon as it was over, Cheryle
20 writes in her note: "it created exactly the conversation it was intended to spark." She concluded by
21 saying, "Thank you for your untiring effort in the war on this horrible drug."

22 The first phase of the campaign has ended, and we have people's attention. Now we have a rare
23 opportunity. It's time to turn the conversation to the next phase: treatment programs for our fellow
24 South Dakotans who are suffering from addiction.

25 Last year I asked you to support awareness, prevention, and treatment along with law enforcement
26 efforts. We know that addiction to meth requires more intensive therapy than other addictions. This
27 year, I am asking you to support my request for additional funding to support these intensive
28 treatment programs.

29 Another vile attack on the person is human trafficking. This crime is one that knows no borders. I
30 led the fight against human trafficking in Congress, and I am bringing legislation this session to
31 combat the crime of human trafficking in our state, particularly as it relates to children and victims.

32 While many people view these issues as data points, I want to remind you that each of those points
33 is a person, and every person deserves our best effort. Hope and healing come from recovery and
34 from preventing addiction before it starts. I hope you will join me in our efforts.

35 Another community whose needs we are addressing is the Native American community.

36 In 2019, we looked for ways to build upon and improve healthcare for Native Americans through
37 agreements with Indian Health Service. In fact, for the first time ever, we have put state-employed
38 nurses in three IHS facilities across the state to better coordinate healthcare. As a result, healthcare
39 is better managed for patients that are referred by IHS to another provider.

40 We are expanding our outreach efforts to the Native American community and one area of particular
41 interest for our team is to let tribes know about the employment opportunities within the state. It
42 is my hope that we can find ways to work with our Native American community so they can
43 participate more fully in the life and business of the state.

44 In order to do this, we need to help our tribes be successful. While I am in Washington D.C.
45 tomorrow, I'll be meeting with White House Senior Staff to discuss issues facing our Native American
46 community; narrowing in on health initiatives and tribal infrastructure, including roads and schools.
47 I look forward to the discussion.

1 We don't ever want to fall into the trap of taking law enforcement and first responders for granted,
2 so I want to publicly highlight two – of many – stories.

3 In May of 2018, it was a foggy morning in Sturgis. Police officers Dylan Goetch and Christopher
4 Schmoker were dispatched to a home fire. On arriving at the scene, the officers learned that
5 someone was still inside. Dense smoke was pouring from the open doors and windows, the two
6 officers entered the home and located the resident who was already unconscious. With water-soaked
7 t-shirts wrapped around their faces to help them breathe, the officers dragged the unconscious man
8 down a stairway and out of the home – just seconds before the fire collapsed the structure. Doctors
9 later told the rescued man that he would not have survived another minute in the heavy smoke.

10 I am honored to have these officers here today, gentlemen would you please stand, so we can
11 commend your bravery?

12 Another amazing story of service took place less than 100 miles from here. On November 30th, just
13 two days after Thanksgiving, there was a plane crash near Chamberlain. I'm sure many of you heard
14 about this sad story, and you may recall the terrible winter storm that hit the region that weekend.
15 At the crash scene, these law enforcement officers climbed into the downed plane and pulled three
16 survivors from the wreckage. Working as a team, the officers carried survivors through hundreds of
17 yards through the snow to get them to ambulances and on to the hospital.

18 Officer Glaus, Officer Harmon, Officer DeWild, and Officer Engel, would you also please stand so we
19 can honor you?

20 I am pleased to announce that all six of these officers will be the first recipients of a new award in
21 South Dakota. Today, I am creating the Governor's Award for Heroism. Going forward, a person
22 who shows courage and compassion under extraordinary circumstances, such as those that have
23 saved a life, will be eligible for nomination.

24 In this way, we are recognizing our citizens' courage and bravery. Again, would you all join me in
25 commending these officers for their dedicated service.

26 I want to close today by taking a few moments to say a special thank you to Chief Justice David
27 Gilbertson. The Chief Justice has spent his life in public service. After law school, he returned to his
28 hometown of Sisseton where he served as state's attorney and city attorney. He was first appointed
29 as a circuit judge in 1986, and then to the Supreme Court in 1995. In 2001, his peers elected him
30 to serve as Chief Justice, and nineteen years later, he is the longest-tenured Chief in our state's
31 history.

32 The Chief Justice hasn't just ruled on cases. He has been a leader in improvement and
33 reform. He proposed the state's innovative program to bring more attorneys to our rural areas. He
34 advocated for specialty courts - drug and DUI courts, mental health courts, and veterans' courts -
35 to more effectively address the causes of crime and help offenders get back on the right track. He
36 adopted new technology, bringing court records and filings online and allowing cameras in the
37 courtroom.

38 And, I can personally say that, in my first year as Governor, he has always been willing to offer his
39 advice, wisdom, and support to me as we work together on behalf of the people of South Dakota.

40 I'm sorry to say that, because I will be at the White House tomorrow for the China agreement
41 signing, I won't be with you to hear the Chief's final State of the Judiciary Address. But I look forward
42 to reading it, and I know we will all benefit from the Chief's thoughts. Please join me in thanking
43 Chief Justice Gilbertson for more than three decades of service to our state.

44 Finally, I want to take a moment to thank my family. I'm incredibly thankful for my family, especially
45 for my husband Bryon. Since I started in public service more than 10 years ago, my job has been
46 the way we operate as a family. I remember bringing the kids to Pierre when I served in the
47 legislature and hauling them to D.C. when I was in Congress. As I've said before, one of the reasons
48 I serve is because of my family. I know that's why you all serve as well.

-
- 1 I look forward to working with you all in the coming months. Let's make South Dakota stronger for
 - 2 our kids and grandkids.

 - 3 Thank you. God bless you. And May God bless the great State of South Dakota.

