

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

2020 South Dakota Legislature

FISCAL NOTE 2020-FN38A

SB 38 revises the General Appropriations Act for fiscal year 2020.

Pursuant to Joint Rule 6C-1.2, this fiscal note seeks to determine the impact of SB 38 on the FY 2020 General Appropriations Act and FY 2020 General Fund receipts as approved by the 2019 Legislature.

For FY 2020, the printed version of SB 38 creates a positive impact of \$2,824,211 on the General Fund, including reduced expenditures totaling \$12,845,232, increased transfers from the general fund totaling \$10,141,021, and additional one-time revenues totaling \$120,000.

The following tables display the changes in expenditures and revenues pursuant to SB 38.

FY 2020 Expenditures	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS
Original FY 2020 Budget Approved in the 2019 Session	14,070.6	1,715,326,842	1,776,534,799	1,428,389,790	4,920,251,431
SB 38 Increased/(Decreased) Expenditures	(30.2)	(12,845,232)	2,908,721	10,739,942	803,431
FY 2020 General Appropriations Act as Impacted by SB 38 (Printed)	14,040.4	1,702,481,610	1,779,443,520	1,439,129,732	4,921,054,862

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS	BILL SEC.
Attorney General - Attorney General Operations and Grant Expenditure Authority - Increase of \$600,000 other fund expenditure authority for PEN project, n/k/a Project Boundary Fence. The objective is to assist county and city governments to secure their outward facing technology infrastructure via external penetration measures with strict oversight at DSU MadLabs. Consumer settlement funds will be used to fund the project.				600,000	600,000	16 (1)
Attorney General - Attorney General Operations and Grant Expenditure Authority - Increase of \$65,000 in general funds to rewrite the Statewide Automated Victim and Notification (SAVIN) system. This system is a software hub that collects data from local law enforcement, UJS, and DOC. The current contracted agency and BIT will not support and maintain the software. An RFP will be released to identify a vendor to write a new		65,000			65,000	16 (2)

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS	BILL SEC.
SAVIN hub and replace the current system.						
Attorney General - Attorney General Operations and Grant Expenditure Authority - Increase of \$622,120 federal fund expenditure authority for anti-heroin and NIBRS grants.			622,120		622,120	16 (2)
Attorney General - Attorney General Operations and Grant Expenditure Authority - Increase of \$25,878 in general funds for equipment for the Child Abuse Coordinator FTE.		25,878			25,878	16 (2)
Board of Regents - Board of Regents Expenditure Authority - Increase of \$907,794 in other fund expenditure authority at USD relating changing the bookstore contract and discovery district employees becoming part of USD budget. This is also FY21 requests. Increase of \$121,00 in other fund expenditure authority at the USD law school due to enrollment growth to pay for instructional activity and bar prep services. This is also an FY21 request. Increase of \$2,160,000 in other fund expenditure authority at DSU relating to student fees, enrollment, and food services. Increase of \$1,450,000 in other fund expenditure authority at the School for the Deaf for renovations to the TCF building.				4,638,794	4,638,794	9 (2-14)
Board of Regents - Statewide Utility Adjustments - Budget adjustments due to utility cost projections.		56,924			56,924	9 (2-15)
Board of Regents - Statewide Utility Adjustments - A budget movement of \$871,820 in general funds from the institutions to the central office, which amounts to 10% of each utility budget, to create a utility pool. Net impact is \$0.						9 (1-15)
Bureau of Finance and Management (BFM) - State Employee Health Insurance Pool - Increase of \$1,458,450 in general funds and \$3,149,365 in total funds to fund the state employee health insurance plan based on the December projections		1,458,450	540,237	1,150,678	3,149,365	1 (5)
Corrections - Correctional Health - 340B Program - Decrease of (\$1,152,445) in other fund expenditure authority in Department of Corrections (DOC) due to savings from the 340B program, which is a federal prescription assistance program. The 340B Drug Discount Program (340B Program) requires drug manufacturers to provide		(1,152,445)			(1,152,445)	12 (5-6)

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS	BILL SEC.
covered outpatient drugs to certain eligible health care entities at or below statutorily defined discount prices. Savings must be reinvested in the correctional health program.						
Corrections - Department of Corrections Operations - Increase in \$201,000 general funds in personal services, \$300,000 general funds in operating expenses, and 1.5 FTE in Administration for maintenance at the Custer campus (formerly STAR Academy) that was reobtained by the state last Fall.	1.5	501,000			501,000	12 (1)
Corrections - Department of Corrections Operations - Increase of \$714,913 in general funds and a decrease of (\$76,330) in federal fund expenditure authority for new meal rates in place due to a new contract.		714,913	(76,330)		638,583	12 (2-4)
Corrections - Department of Corrections Operations - This request includes a transfer of \$57,435 general funds from operating expenses to personal services in Inmate Services for salary/benefits for an Inmate Services Corrections Analyst. An increase of \$2,845 in general funds for operating expenses for the Corrections Analyst and a decrease of (\$397,000) in general funds in Inmate Services due to a one-time reduction for medical equipment service contracts/leases (outside of the correctional health care budget) that will be paid for with 340B savings.		(336,720)			(336,720)	12 (6)
Corrections - Department of Corrections Operations - Increase of \$196,971 general funds for 3 Parole Agents. This is comprised of \$179,426 personal services and \$17,545 operating expenses. This request is also a part of the Governor's recommended FY2021 budget.		196,971			196,971	12 (7)
Corrections - Department of Corrections Operations - Increase of \$156,155 in general funds personal services for 3 correctional officers at the Pierre Community Work Center. This request is also a part of the Governor's recommended FY2021 budget.		156,155			156,155	12 (4)
Corrections - Statewide Utility Adjustments - Budget adjustments due to utility cost projections.		(25,388)			(25,388)	12 (2-4)
Education - Department of Education Operations - Increase of \$300,000 in other funds for the Perkins Report Card, which is a system to publish Perkins accountability data.				300,000	300,000	7 (11)

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS	BILL SEC.
Education - Department of Education Operations - Increase of \$200,000 in other funds for the Dual Credit Management System, which is a system for dual credit data such as enrollment, performance, and billing data.				200,000	200,000	7 (11)
Education - Department of Education Operations - Decrease of (\$53,337) in general funds for the State Assessment budget due to underutilized budget.		(53,337)			(53,337)	7 (11)
Education - Dual Credit - Decrease of (\$764,164) in general funds due to lower than anticipated students participating in the dual credit program. Initial estimate for FY2020 was 43,663 credit hours, while the revised estimate is 36,806 credit hours (reduction of 6,857 credits).		(764,164)			(764,164)	7 (11)
Education - State Aid Revisions - Decrease of (\$2,949,356) in general fund for State Aid to Education due to 393 few students and higher property valuations.		(2,949,356)			(2,949,356)	7 (3)
Education - State Aid Revisions - Decrease of (\$74,997) in general funds for sparsity payments due to change in fall enrollment and Bennett County School District no longer qualifying for the Sparsity Payment.		(74,997)			(74,997)	7 (5)
Education - Technical Institutes - Decrease of (\$21,180) in general funds to aligning the personal services budget with expenditures		(21,180)			(21,180)	7 (8)
Education - Technical Institutes - Decrease of (\$440,979) in general funds due to reduced full-time equivalent student counts		(440,979)			(440,979)	7 (8)
Education - Technical Institutes - Increase of \$39,894 in general funds due to a shortfall for National Guard Tuition Payment.		39,894			39,894	7 (8)
Education - Technical Institutes - Increase of \$100,000 in other funds due to a quality assurance grant received from the Lumina Foundation.				100,000	100,000	7 (8)
Health - Correctional Health – 340B Program - Decrease of (\$1,152,445) in other fund expenditure authority in Department of Corrections (DOC) due to savings from the 340B program, which is a federal prescription assistance program. The 340B Drug Discount Program (340B Program) requires drug manufacturers to provide covered outpatient drugs to certain eligible health care entities at or below statutorily defined discount prices. Savings must be reinvested in the correctional health program.				(1,152,445)	(1,152,445)	4 (5)

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS	BILL SEC.
Health - Helmsley AED Project - Law Enforcement - Increase of \$3,670,341 in other funds due to a grant received from the Helmsley Charitable Trust to equip and train law enforcement to use automatic external defibrillators.				3,670,341	3,670,341	4 (2)
Health - Suicide Prevention - The Department of Health and Department of Social Services have launched a new Suicide Prevention State Plan for 2020-2025. \$135,000 in DSS and \$75,000 in DOH increase for suicide prevention program and awareness campaign		75,000			75,000	4 (3)
Human Services - Department of Human Service Operations - Decrease of (\$631,057) in general fund, (\$849,950) in federal funds and 30 FTE for SDDC Rightsizing. The position includes 28 Direct Support Professionals and two support staff.	(30.0)	(631,057)	(849,950)		(1,481,007)	13 (3)
Human Services - Department of Human Service Operations - Decrease of (\$2,151,601) in general fund and (\$2,315,245) in federal funds due to decrease of Medicaid Individual served in nursing homes and a projected decline in the number of days those individuals are served in the nursing homes.		(2,151,601)	(2,315,245)		(4,466,846)	13 (4)
Human Services - Statewide Utility Adjustments - Budget adjustments due to utility cost projections.		(13,592)	(18,305)		(31,897)	13 (3)
Labor and Regulation - Board of Technical Professionals - Informational - Decrease of (\$61,858) in other funds and (1.0) FTE for an investigator position located in Rapid City that is no longer needed.	(1.0)			(61,858)	(61,858)	5 (9)
Labor and Regulation - Department of Labor and Regulation Field Operations Reduction - Decrease of (\$213,134) in federal funds and (3.0) FTE to reduce field staff in North Sioux City, Vermillion, and Spearfish. Federal funding from the Workforce Innovation and Opportunity Act (WIOA) is not increasing, so reductions of positions are needed to cover increasing wage and health insurance costs.	(3.0)		(213,134)		(213,134)	5 (3)
Legislative Branch - Legislative Research Council Operations - Increase of \$105,190 in general funds and 1 FTE for the Lead Software Engineer approved by the Executive Board for the rewrite of the bill drafting system and other updates to the LawMaker system.	1.0	105,190			105,190	15 (1)
Legislative Branch - Legislative Research Council Operations -		19,533			19,533	15 (1)

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS	BILL SEC.
Increase of \$19,533 in general funds to align budget with projected legislator salary of \$11,893 for FY2020.						
Legislative Branch - Legislative Research Council Operations - Increase of \$10,790 in general funds to align the budget with projected legislator per diem of \$151 per day. This is offset by a decrease of \$47,565 in general funds in the legislator per diem budget due to a 37-day session instead of 40 days.		(36,775)			(36,775)	15 (1)
Legislative Branch - Redistricting Software - Funding for the Legislative Research Council to purchase mapping software for the FY2021 redistricting project.		75,000			75,000	15 (1)
Military - Department of Military Budget Realignment - Overall decrease of (\$35,000) in other fund expenditure authority to align the budget with actual expenditures.			(35,000)		(35,000)	10 (1-2)
Military - Statewide Utility Adjustments - Budget adjustments due to utility cost projections.		16,283	56,683		72,966	10 (2-3)
Public Safety - Department of Public Safety Operations - Increase of \$1,334,400 in other funds to purchase P25 compliant radios.				1,334,400	1,334,400	8 (2)
Public Safety - Department of Public Safety Operations - Decrease of (\$50,000) in general funds in Victim's Services to align the budget with expenditures and an increase of \$2,750,000 in federal funds in Victim's Services to utilize the full grant awards for subrecipients.		(50,000)	2,750,000		2,700,000	8 (4)
Public Safety - Department of Public Safety Operations - Increase of \$1,000,000 in federal funds for upgrades to the Next Generation 9-1-1 system.			1,000,000		1,000,000	8 (5)
Revenue - Department of Revenue Operations - Increase of \$55,109 and 1 FTE in other funds to fund 4 additional tax discovery agents for 3 months. The agents will work to ensure remote sellers are in compliance with state law. This is also a request for FY21. Two agents were added in FY20. This request would bring the total to 6.	1.0			55,109	55,109	2 (2)
Revenue - Motor Fuel Explore Consortium Upgrade Project - Increase of \$646,786 in federal fund expenditure authority provided as a grant to upgrade the Motor Fuel Explore System. The new system supports valuable functions not supported by South Dakota's current system including better financial accounting, interaction with other systems, improved data security,			646,786		646,786	2 (3)

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better report functionality, as well as other improvements.						
Revenue - State Property Tax Administration System - Increase of \$225,000 in general funds to upgrade the state property tax system. The updated system will create efficiencies between the State and counties regarding data transfer, reporting, notifications, as well as reduce errors and save staff time.		225,000			225,000	2 (4)
Secretary of State - Secretary of State Online Voter Registration System - Request is for \$25,000 for online voter registration system and \$35,000 to implement circulator badge program.		60,000			60,000	17 (1)
Social Services - Department of Social Services Operations - Decrease of (\$150,000) in general funds due to savings in the EBT program as a result of a new contract.		(150,000)			(150,000)	3 (1)
Social Services - Department of Social Services Operations - Decrease of (\$500,000) in general funds due to reduced utilization in the auxiliary placement program.		(500,000)			(500,000)	3 (2)
Social Services - Department of Social Services Operations - Decrease of (\$4,117,703) in general funds and (\$4,069,973) in federal funds due to change in the anticipated Medicaid and CHIP eligibles, cost, and utilization.		(4,117,703)	(4,069,973)		(8,187,676)	3 (3)
Social Services - Department of Social Services Operations - Decrease of (\$1,200,000) in general funds and increase of \$3,920,832 in federal funds for the Child Care Assistance Program.		(1,200,000)	3,920,832		2,720,832	3 (4)
Social Services - Department of Social Services Operations - Decrease of (\$950,000) in general funds and an increase of \$950,000 in federal fund expenditure authority to replace the general funds with TANF federal funds in the Family Foster Care program.		(950,000)	950,000			3 (4)
Social Services - Department of Social Services Operations - Decrease of (\$880,000) in general funds based on utilization of outpatient treatment for substance use disorder.		(880,000)			(880,000)	3 (5)
Social Services - Department of Social Services Operations - Decrease of (\$500,000) in general funds in meth prevention.		(500,000)			(500,000)	3 (5)
Social Services - Department of Social Services Operations - Decrease of (\$200,000) in general funds based on utilization of Juvenile		(200,000)			(200,000)	3 (5)

DESCRIPTION	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL FUNDS	BILL SEC.
Justice Reinvestment Initiative (JJRI).						
Social Services - Statewide Utility Adjustments - Budget adjustments due to utility cost projections.		(24,684)			(24,684)	3 (5)
Social Services - Suicide Prevention - The Department of Health and Department of Social Services have launched a new Suicide Prevention State Plan for 2020-2025. \$135,000 in DSS and \$75,000 in DOH increase for suicide prevention program and awareness campaign		135,000			135,000	3 (5)
State Auditor - State Auditor Operations - Increase of \$7,456 in general funds to convert the office to Voice over Internet Protocol telephones.		7,456			7,456	19 (1)
State Treasurer - State Treasurer Operations - Increase of \$37,286 and 0.3 FTE in other funds to fund a fraud prevention analyst for 3 months. The analyst work to develop comprehensive threat matrix, monitor domestic and foreign unclaimed property accounts, claims and communications to mitigate against fraudulent threats. This is also a request for FY21.	0.3			37,286	37,286	18 (2)
Transportation - Statewide Utility Adjustments - Budget adjustments due to utility cost projections.				(5,800)	(5,800)	6 (1)
Unified Judicial System - Unified Judicial System Drug/DUI Court Treatment - Increase of \$445,099 in general funds for Drug/DUI courts. Treatment cost projections are higher than originally calculated. The projected costs for FY20 are \$3,260 per client and \$3,325 for FY21. Clients served is expected to be 587 in FY20 and 612 in FY21.		445,099			445,099	14 (2)
Veterans' Affairs - Department of Veterans' Affairs Operations - Decrease of (\$19,764) in other funds due to a decrease in the food contract.				(19,764)	(19,764)	11 (2)
Veterans' Affairs - Statewide Utility Adjustments - Budget adjustments due to utility cost projections.				(106,799)	(106,799)	11 (2)
Total Change to Expenditures in FY 2020 General Appropriations Act	(30.2)	(12,845,232)	2,908,721	10,739,942	803,431	

FY2020 Transfer Detail						
Increased One-Time Revenues						
Special Racing Revolving Fund		92,600			92,600	21
South Dakota-Bred Racing Fund		27,400			27,400	21
Total Changes to Revenues in FY 2020 General Appropriations Act		120,000			120,000	

Increased Transfers from the General Fund					
Rural Broadband Fund		(5,000,000)		(5,000,000)	21
Radio Communication Fund		(5,141,021)		(5,141,021)	21
Total Changes to Transfers from the General Fund in FY 2020 General Appropriations Act		(10,141,021)		(10,141,021)	

FY 2020 Revenues	General Fund Revenues
Original FY 2020 General Fund Receipts - Adopted in 2019 Session	1,701,244,640
SB 38 (Printed) Version One-Time General Fund Receipts	120,000
FY 2020 General Fund Receipts - as Impacted by SB 38	1,701,364,640

APPROVED BY: /s/ Jason Hancock
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