

MINUTES

Select Committee on Legislative Relationships with Ellsworth Air Force Base

Representative Gary Cammack, Co-Chair
Senator Michael Walsh, Co-Chair



Second Meeting, 2024 Interim
Thursday, October 24, 2024

Conference Rooms A/B – Cherapa Place Interconnect Building
345 N. Reid Place, Sioux Falls, South Dakota

The second interim meeting of the Select Committee on Legislative Relationships with Ellsworth Air Force Base was called to order by Senator Michael Walsh at 9:01 a.m. (CT) in Conference Rooms A/B of the Cherapa Place Interconnect Building, Sioux Falls, South Dakota.

A quorum was determined with the following members answering the roll call: Representatives Gary Cammack (Co-Chair), Mike Derby, Will Mortenson, Kameron Nelson, and Tyler Tordsen; Senators Casey Crabtree, Helene Duhamel, Red Dawn Foster, Jean Hunhoff, and Michael Walsh (Co-Chair).

Staff members present included Anna Madsen, Assistant Chief for Research; and Melanie Dumdei, Assistant Chief for Legal.

NOTE: For the purpose of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents distributed at the meeting are hyperlinked to the document on the Legislative research Council website. This meeting was live streamed. The archived live stream is available at the LRC website at sdlegislature.gov.

Approval of Minutes

Representative Cammack moved, seconded by Senator Duhamel, to approve the minutes of the August 12, 2024, Select Committee on Legislative Relationships with Ellsworth Air Force Base meeting. The motion prevailed on a voice vote.

Ellsworth Air Force Base

Colonel Derek Oakley, Commander of the 28th Bomb Wing, Ellsworth Air Force Base, reviewed the history and background of Ellsworth Air Force Base and discussed the strategic outlook and key challenges for the United States Armed Forces ([Document 1](#)). Ellsworth currently operates B-1 Lancer bombers and MQ-9 Reaper unmanned drones. B-21 Raider bombers are expected to arrive at Ellsworth in the mid-2020s. Col. Oakley discussed the significant growth expected at Ellsworth, with a total estimated growth of 4,064 personnel (1,664 active military, 915 spouses, and 1,485 children) by fiscal year 2041. From February to November 2025, the runway will be closed at Ellsworth for reconstruction. As a result, seventeen B-1 aircraft and 800-1,000 personnel will be temporarily relocated to Grand Forks, North Dakota. All aircraft and personnel are expected to return to Ellsworth beginning in December 2025.

Elevate Rapid City

Mr. Tom Johnson, Chief Executive Officer, Elevate Rapid City, discussed the impact of Ellsworth Air Force Base on the Rapid City region ([Document 2](#)). In 2023, the total economic impact of Ellsworth Airforce Base was \$886.8 million, with an estimated 8,200 new jobs created in the region. Ellsworth is the ninth largest employer in the entire state of South Dakota. In 2023, Rapid City was the fifty-seventh fastest growing city in the United States. From 2020 to 2024, the Rapid City area had a population increase of 7,142 and a household increase of 2,262. From 2025-2030, the Rapid City area is projected to have a population increase of 8,137 and a household increase of 3,360, with a projected demand of 10,175 homes (2,410 in Rapid City, 7,765 in the region).

Sioux Falls Development Foundation

Mr. Bob Mundt, President and Chief Executive Officer, Sioux Falls Development Foundation, discussed the statewide impact of the Ellsworth Air Force Base expansion. Looking at statistics, Ellsworth is comparable to the largest employers coming to South Dakota. Mr. Mundt stated that federal and state funding is critical to partnerships like the Ellsworth expansion, and the Sioux Falls Development Foundation supports requests made on behalf of Ellsworth to keep the state viable.

Federal Update

U.S. Senator Mike Rounds stated that the expansion of Ellsworth Air Force Base is a statewide opportunity. The expansion is bringing young families to South Dakota, with children who need good schooling. Sen. Rounds prioritized a request of \$42 million in congressionally directed spending to support the Douglas School District. When that amount may be appropriated is not definitive, but Sen. Rounds anticipates having a clearer timeline by January 2025.

U.S. Senator John Thune emphasized the strategic importance of B-21 bombers in the U.S. military fleet. With B-21s soon arriving at Ellsworth, it is necessary to ensure that incoming military families have a quality of life that enables them to do their jobs and serve their families. Doing so will also keep South Dakota attractive to the U.S. Department of Defense.

Douglas School District

Mr. Kevin Case, Superintendent, Douglas School District (DSD), discussed the impact of the Ellsworth expansion on the school district ([Document 3](#)). Mr. Case reported that of the 2,816 K-12 students enrolled in DSD, 1,041 students are military-connected. DSD is comprised of six buildings, 425 staff, and is the only Purple Star Designation school in South Dakota. DSD is seeking \$15 million in state funding to build a new elementary school in order to facilitate the arrival of the 1,500 military-connected students projected to arrive over the next fifteen years. Approximately 73.8% of those new students are expected to be at the elementary school level (ages zero to eleven). If current trends continue, 70% of all school-aged children associated with Ellsworth will attend DSD. DSD anticipates receiving \$42 million in federal funding once the federal budget is passed. DSD also had a \$1 million OLDCC planning grant approved in August. DSD has invested \$6.2 million for master planning and site acquisition, and is planning for an additional \$5-7 million for the construction of the elementary school, with money budgeted for contingencies. Mr. Case also clarified several questions asked by the committee at the previous meeting: nine DSD students open enrolled to Meade School District for the 2022-2023 school year, twenty-seven homeschool students are military-connected, and the estimated yearly cost of the four-year-old preschool program is \$225,000 (seventeen out of the thirty-four students attending the preschool are military-connected).

Ms. Trista Olney, Business Manager, DSD, discussed DSD's unique funding scenario ([Document 3](#)). DSD's tax base is limited because Ellsworth Air Force Base does not pay property taxes. If the estimated \$2 billion of infrastructure being built on Ellsworth could be taxed, DSD's capital outlay revenue would increase by \$7 million annually. While DSD does receive federal Impact Aid to make up for some of this loss in capital outlay dollars, Impact Aid does not help with DSD's borrowing ability. DSD is different from other school districts receiving Impact Aid because the growth at DSD will be fast and immediate compared to the slow and linear growth projected for other districts. DSD does not have the ability to bond like other districts and does not have enough time to save for the construction of a new facility necessary to meet the projected growth.

City of Box Elder

Mr. Rob Timm, Grant Writer/Administrator, City of Box Elder, and Mr. Sean Overeynder, Economic Development Director, City of Box Elder, discussed the impact of Ellsworth Air Force Base on Box Elder's population and its housing needs ([Document 4](#)). Box Elder's current estimated population is 14,512 (not including those living on Ellsworth Air Force Base), a growth of 21.9% since 2022, and the population is expected to reach 16,000 by 2026. To meet the needs of Box Elder's residents and incoming military personnel, the city has spent over \$27 million in housing projects since the inception of the Housing Infrastructure Financing Program. More than 366 family lots and 461 multi-family units are currently under construction or completed.

South Dakota Ellsworth Development Authority

Mr. Scott Landguth, Executive Director, South Dakota Ellsworth Development Authority (SDEDA), presented the score sheet used during the 2005 Base Realignment and Closure (BRAC) process comparing Ellsworth and Dyess Air Force Base ([Document 5](#)). Based on the ratings Ellsworth received, SDEDA evaluated where impacts could be made locally and made improvements to land compatibility, infrastructure, mission support, and quality of life. Current basing criteria prioritizes military spouse license reciprocity and the quality of schools near bases when evaluating future basing or mission alternatives. Following the enactment of [HB 1111](#) in 2019, South Dakota recognizes professional licenses in good standing for military spouses stationed in the state, making South Dakota one of eight states in "green" status. Regarding public education metrics, South Dakota ranks near the middle in "yellow" status. Based on comments from General Timothy Ray, head of Air Force Global Strike, there is potential for fifty more B-21 bombers being built, in addition to the one hundred bombers already ordered. Bases will be evaluated using the basing criteria to determine where these additional units will be placed. Given this, it is important for Ellsworth to maintain and improve its metrics in order to remain competitive.

Closing Remarks

Representative Tordsen stated that Ellsworth Air Force Base is good for the entire state, not just West River, and Ellsworth expansion deserves continued statewide support.

Senator Hunhoff emphasized that if the Douglas School District is appropriated the funding it seeks, guardrails must be included so that DSD reports back to the Legislature; all money that comes out of appropriations needs accountability, and South Dakota not only needs great buildings but academic excellence too.

Senator Duhamel discussed the importance of communicating how Ellsworth benefits the state as a whole. For legislators and legislator-elects, Ellsworth is offering base tours on November 15 and 22. The tours will include a 28th Bomb Wing mission brief, a windshield tour of the B-21 construction, and a B-1 static display with an opportunity to sit in the cockpit. Those who would like to attend must send their date of birth and driver's license number to Anna Madsen by November 8.

Discussion on Final Report to the Executive Board

Senator Crabtree moved, seconded by Representative Tordsen, to make the following recommendation to the Executive Board: To recognize and prioritize partnerships between the federal government, state government, and local governments on quality of life and education issues in order to make Ellsworth Air Force Base an attractive military installation for existing and future developments within the United States Armed Forces. The motion was not acted upon.

Representative Cammack made a substitute motion, seconded by Senator Crabtree, to delay action on any recommendations and hold an additional meeting. The motion prevailed on a roll call vote with 8 AYES and 2 EXCUSED. Voting AYE: Cammack, Crabtree, Derby, Duhamel, Hunhoff, Nelson, Tordsen, and Walsh. EXCUSED: Foster and Mortensen.

Adjournment

Senator Crabtree moved, seconded by Representative Nelson, that the Select Committee on Legislative Relationships with Ellsworth Air Force Base be adjourned. The motion prevailed on a voice vote.

The meeting adjourned at 12:28 a.m. (CT).