SOUTH DAKOTA BOARD OF REGENTS

REVISED AGENDA ITEM: 3 – J DATE: March 29-30, 2023

SUBJECT

2023 Legislative Overview

CONTROLLING STATUTE, RULE, OR POLICY

BOR Policy 1:5, Section C.2 (2.9)

BACKGROUND / DISCUSSION

The 2023 South Dakota Legislature ended with Veto Day on March 25, 2023. This agenda item provides a brief, high-level review of major legislative activity in the session just concluded.

IMPACT AND RECOMMENDATIONS

The 2023 legislative session marks another year of historic support for the public higher education system (over \$59 million in state general funds). This includes the second year in a row of base general funds to support all Board of Regents employees' salaries and benefits as well as cybersecurity and infrastructure funding.

ATTACHMENTS

Attachment I – 2023 Legislative Summary



2023 LEGISLATIVE SUMMARY

73 BILLS TRACKED

(36 priority and 37 other bills of interest)

SESSION HIGHLIGHTS

❖ <u>Historic support for public higher education</u> – Once again we have received outstanding support from both the South Dakota Legislature and Gov. Kristi Noem. Significant investments were made in both one-time and ongoing funding in the public universities and special schools. State employee salary policy was budgeted at a 7.0% increase, effective July 1, 2023. The regents' system stands to benefit from increased funding support in these broad categories:

• General funds: \$59.2 million

Federal funds: \$0.5 million

Other funds authority: \$18.9 million

- ❖ Tuition Freeze The state historically covers less than half of the salary and benefit package for employees in the public university system. That means tuition, fees, and student charges are raised internally to cover the rest of the obligation. For the second year in a row, the Governor and Legislature agreed to an additional \$12.4 million in base general funds to support all BOR salaries and health insurance increases.
- ❖ Infrastructure The Board focused this legislative session on existing infrastructure needs. Several bills passed providing additional funds for large inflationary increases in constructions costs as well as additional maintenance and repair costs.

BILLS PASSED - BOARD PRIORITY

- HB1030 SDSU Bioproducts facility (\$3,000,000 general funds)
- HB1032 SDSU agricultural-use structures (\$7,250,000 other fund expenditure authority)
- HB1039 100% tuition for SD National Guard members (\$1,971,851 general funds)
- SB172 BHSU-RC health services center (\$1.5M general funds)
- SB173 NSU Lincoln Hall (\$1.5M general funds)
- SB33 SDSMT Mineral Industries building (\$4,400,000 general funds and \$3,400,000 other fund expenditure authority)
- SB34 DSU sale of Lake County property
- SB37 SDSD name change
- SB93 DSU Athletic Events Center (\$14,941,250 other fund expenditure authority)

BILLS PASSED - OTHER TOPICS

- HB1055 increase dollar amount for SD Opportunity Scholarship (increase total award from \$6,500 to \$7,500)
- SB10 expand certification options for interpreters for the deaf
- SB179 SDS&TA board member addition (SDSM&T President and BHSU President exofficio members)
- HB1153 update to travel and moving allowance
- HB1060 changes in procurement requirements (bid requirements changed from \$25,000 to \$50,000)
- SB118 expand eligibility for reduced tuition to certain preschool teachers (\$25,000 general funds)
- SB162 allows for public comment at official meetings even if not regularly scheduled, unless solely meeting in executive session
- SB182 Board of Education shall establish a uniform method for calculating high school credits a student receives for a postsecondary course
- SB189 prohibits state agencies from contracting with companies owned or controlled by certain foreign entities or governments

BILLS PASSED – GENERAL BUDGET BILLS

- SB210 General Appropriations Act for Fiscal Year 2024
- HB1049 Revise General Appropriations Act for Fiscal Year 2023 (includes funds for cybersecurity upgrade and maintenance and repair)