

SPECIAL APPROPRIATION RECOMMENDATIONS

FY2014 SPECIAL APPROPRIATIONS	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL
GFP Outdoor Heritage Projects		\$ 4,000,000			\$ 4,000,000
Pine Beetle Suppression		\$ 2,000,000			\$ 2,000,000
Homestake Mine Ross Shaft Construction		\$ 2,000,000			\$ 2,000,000
Railroad Trust Fund		\$ 1,000,000			\$ 1,000,000
Tax Refunds for Elderly and Disabled Persons		\$ 500,000			\$ 500,000
Physician Tuition Reimbursement Program		\$ 208,800			\$ 208,800
Clover Hall Replacement				\$ 4,000,000	\$ 4,000,000
Conservation grant				\$ 500,000	\$ 500,000
Construction/Demolition at State Treatment & Rehabilitation Academy				\$ 215,000	\$ 215,000
TOTAL FY2014 SPECIAL APPROPRIATIONS	0.0	\$ 9,708,800	\$ -	\$ 4,715,000	\$ 14,423,800

NOTE: FY2014 special appropriations become available for expenditure on July 1, 2013, and are included in the FY2014 column of the General Fund Condition Statement.

Governor Dugaard is recommending total special appropriations of \$9,708,800 in general funds and \$4,715,000 in other fund expenditure authority for a total of \$14,423,800. The following paragraphs highlight each recommended special appropriation.

- ◆ **GFP Outdoor Heritage Projects:** The Governor is recommending \$4,000,000 in general funds for the development of Blood Run Nature Area, a visitor center/theatre within Custer State Park, and a trail connecting Mount Rushmore with the George S. Mickelson Trail.
- ◆ **Pine Beetle Suppression:** The Governor is recommending \$2,000,000 in general funds for the Fire Suppression Fund for pine beetle suppression within the Black Hills.
- ◆ **Homestake Mine Ross Shaft Construction:** The Governor is recommending \$2,000,000 in general funds for the South Dakota Science and Technology Authority to replace steel in the Ross Shaft. This upgrade will enable the underground lab to accommodate the excavations necessary for future experiments, and will extend the life of the lab into the future.
- ◆ **Railroad Trust Fund:** The Governor is recommending \$1,000,000 in general funds for the Railroad Trust fund to provide loans for railroad projects.
- ◆ **Tax Refunds for Elderly and Disabled Persons:** The Governor is recommending \$500,000 in general funds for tax refunds for elderly and disabled individuals who meet income guidelines.
- ◆ **Physician Tuition Reimbursement Program:** The Governor is recommending \$208,800 in general funds to reimburse four participants who have complied with the requirements of the South Dakota Physician, Midlevel, or Dentist Tuition Reimbursement program per SDCL 1-16A-71.1, SDCL 1-16A-73.6, or SDCL 1-16A-73.20.
- ◆ **Clover Hall Replacement:** The Governor is recommending \$4,000,000 in other fund expenditure authority for the construction of a new facility on the State Fair grounds to replace Clover Hall which has become unusable due to deterioration.
- ◆ **Conservation grant:** The Governor is recommending \$500,000 in other fund expenditure authority for the continued assistance of promoting conservation practices to reduce erosion, improve cropland and grazing conditions, improve surface water, and enhance habitat.
- ◆ **Construction and Demolition at the State Treatment & Rehabilitation Academy (STAR):** The Governor is recommending \$215,000 in other fund expenditure authority for the demolition of the old maintenance building and two other buildings, and the construction of a new maintenance building at STAR Academy.

<u>FY2013 EMERGENCY SPECIAL APPROPRIATIONS</u>	<u>FTE</u>	<u>GENERAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL</u>
Human Services Center Buildings Restore & Demolish		\$ 6,000,000			\$ 6,000,000
Wildland Fire Suppression Fund		\$ 4,200,000			\$ 4,200,000
State Veteran's Home		\$ 1,306,236	\$ 23,599,934	\$ 14,766,889	\$ 39,673,059
Rapid City Wildland Fire Remodel		\$ 500,000	\$ 300,000		\$ 800,000
DOM Land Purchase in Sioux Falls		\$ 355,000			\$ 355,000
DOM Motor Pool Building in Sioux Falls			\$ 650,000		\$ 650,000
Water Omnibus Bill			\$ 200,000	\$ 16,975,000	\$ 17,175,000
Inmate Housing Facility on State Fair Grounds				\$ 100,000	\$ 100,000
TOTAL FY2013 EMERGENCY SPECIAL APPROPRIATIONS	0.0	\$ 12,361,236	\$ 24,749,934	\$ 31,841,889	\$ 68,953,059

NOTE: FY2013 emergency special appropriations become available for expenditure upon passage of the bill and are included in the FY2013 column of the General Fund Condition Statement.

Governor Dugaard is recommending total emergency special appropriations of \$12,361,236 in general funds, \$24,749,934 in federal fund expenditure authority, and \$31,841,889 in other fund expenditure authority. The following paragraphs highlight each recommended emergency special appropriation.

- ◆ **Human Services Center Buildings Restore & Demolish:** The Governor is recommending \$6,000,000 in general funds for a 3-phase project to weather-tighten two historic buildings and demolish unused, deteriorating buildings at the old Human Services Center campus.
- ◆ **Wildland Fire Suppression Fund:** The Governor is recommending \$4,200,000 in general funds for the Fire Suppression Fund for costs related to the suppression of wildfires in South Dakota.
- ◆ **State Veterans' Home:** The Governor is recommending \$1,306,236 in general funds, \$23,599,934 in federal fund expenditure authority and \$14,766,889 in other fund expenditure authority for the construction of a new Veterans' Home in Hot Springs.
- ◆ **Rapid City Wildland Fire Remodel:** The Governor is recommending \$500,000 in general funds and \$300,000 in federal fund expenditure authority to be used within the Department of Agriculture for the replacement of the current Wildland Fire and Resource Conservation Forestry buildings.
- ◆ **DOM Land Purchase in Sioux Falls:** The Governor is recommending an increase of \$355,000 in general funds for the Department of the Military to purchase land from the City of Sioux Falls. This purchase will allow for the expansion of the Unit Training and Equipment Site.
- ◆ **DOM Motor Pool Building in Sioux Falls:** The Governor is recommending an increase of \$650,000 in federal fund expenditure authority for the Department of the Military for the construction of a Motor Pool Building to be located at the Sioux Falls Readiness Center.
- ◆ **Water Omnibus Bill:** The Governor is recommending \$200,000 in federal fund expenditure authority and \$16,975,000 in other fund expenditure authority for water development, solid waste, and water quality improvement projects throughout the state.
- ◆ **Inmate Housing Facility on State Fair Grounds:** The Governor is recommending \$100,000 in other fund expenditure authority for the construction of a housing facility at the State Fair grounds to be used by inmate workers.

<u>FY2013 GENERAL BILL AMENDMENTS</u>	<u>FTE</u>	<u>GENERAL FUNDS</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL</u>
State Employee Health Insurance		\$ 7,916,366	\$ 4,925,785	\$ 8,472,259	\$ 21,314,410
GOED Economic Development Projects		\$ 5,000,000		\$ 5,000,000	\$ 10,000,000
Criminal Justice Initiative		\$ 2,628,500		\$ 1,000,000	\$ 3,628,500
State Aid to Special Education		\$ 2,476,483			\$ 2,476,483
Cement Plant Retirement Fund		\$ 2,000,000			\$ 2,000,000
Internal Service Rates		\$ 990,322	\$ 1,274,878	\$ 1,463,857	\$ 3,729,057
State Aid to General Education		\$ 637,940			\$ 637,940
Veterans' Services for Higher Education		\$ 600,000			\$ 600,000
GOED Research Commerce Grants		\$ 500,000			\$ 500,000
DOE JAG Program		\$ 225,000			\$ 225,000
DOE Teacher Evaluation Software		\$ 150,896			\$ 150,896
Sparsity Payments		\$ 9,310			\$ 9,310
Technical Institute Maintenance & Repair Fee				\$ 210,000	\$ 210,000
BOR Budget Authority	15.0			\$ 4,000,000	\$ 4,000,000
DOH Correctional Healthcare	3.0				\$ -
Technical Institute Funding		\$ (557,644)			\$ (557,644)
DSS Medicaid Eligibles Revision		\$ (6,027,928)	\$ (7,835,495)		\$ (13,863,423)
TOTAL FY2013 GENERAL BILL AMENDMENTS	18.0	\$ 16,549,245	\$ (1,634,832)	\$ 20,146,116	\$ 35,060,529

NOTE: FY2013 general bill amendments are changes needing to be made to the FY2013 General Appropriations Act and are included in the FY2013 column of the General Fund Condition Statement.

Governor Daugaard is recommending total general bill amendments of \$16,549,245 in general funds, (\$1,634,832) in federal fund expenditure authority, \$20,146,116 in other fund expenditure authority, and 18.0 FTE. The following paragraphs highlight the recommended changes to the FY2013 General Bill.

- ◆ **State Employee Health Insurance:** The Governor is recommending \$7,916,366 in general funds, \$4,925,785 in federal fund expenditure authority, and \$8,472,259 in other fund expenditure authority to pay for increased healthcare costs.
- ◆ **GOED Economic Development Projects:** The Governor is recommending \$5,000,000 in general funds for the Future Fund for economic development projects. Also recommended is an increase of \$5,000,000 in other fund expenditure authority to spend these additional funds.
- ◆ **Criminal Justice Initiative:** The Governor is recommending an increase of \$2,628,500 in general funds and \$1,000,000 in other fund expenditure authority for the Criminal Justice Initiative. Funding includes costs for Evidence Based Practices and training on EPB methods, the Hawaii Opportunity Probation Enforcement Pilot for drug monitoring, the Tribal Community Supervision program, the Statewide Automated Victim Information and Notification program for offender release notification, the Restitution Monitoring System development, the Community Reinvestment fund, a Rural Community Health pilot, and transitional housing for offenders.
- ◆ **State Aid to Special Education:** The Governor is recommending \$2,476,483 in general funds to cover the shortfall in State Aid to Special Education due to lower property valuation growth than budgeted within the formula.
- ◆ **Cement Plant Retirement Fund:** The Governor is recommending \$2,000,000 in general funds for the Cement Plant Retirement Fund to help cover the current shortfall.
- ◆ **Internal Service Rates:** The Governor is recommending increases of \$990,322 in general funds, \$1,274,878 in federal fund expenditure authority, and \$1,463,857 in other fund expenditure authority throughout State Government due to increases in bureau internal service fund rates. These rates are increasing due to increased operating expenses, and to begin implementing new security measures and a software upgrade in FY2013.
- ◆ **State Aid to General Education:** The Governor is recommending \$637,940 in general funds to cover the shortfall in State Aid to General Education due to more students and lower property valuation growth than budgeted in the formula.
- ◆ **Veterans' Services for Higher Education:** The Governor is recommending an increase of \$600,000 in general funds to the Department of Veterans' Affairs for universities and technical institutes to apply for funding to expand veterans' services at each campus.
- ◆ **GOED Research Commerce Grants:** The Governor is recommending \$500,000 in general funds in the Governor's Office of Economic Development to fund proof-of-concept project grants in the Research Commerce division.

- ◆ **DOE JAG Program:** The Governor is recommending \$225,000 in general funds to help implement the Jobs for America's Graduates (JAG) program at various school districts throughout the state.
- ◆ **DOE Teacher Evaluation Software:** The Governor is recommending \$150,896 in general funds for teacher evaluation software to provide consistent evaluations for our teachers at public schools across South Dakota, which is a component of the state's new accountability model.
- ◆ **Sparsity Payments:** The Governor is recommending \$9,310 in Sparsity payments due to more students enrolled in sparse schools than budgeted for in FY2013.
- ◆ **Technical Institute Maintenance and Repair Fee:** The Governor is recommending an increase of \$210,000 in other fund expenditure authority to distribute maintenance and repair fees to the technical institutes.
- ◆ **BOR Budget Authority:** The Governor is recommending an increase of 15.0 FTE and \$4,000,000 in other fund expenditure authority due to an increase in HEFF funding and growth in students.
- ◆ **DOH Correctional Healthcare:** The Governor is recommending 3.0 FTE to hire nurses within Correctional Healthcare. This will reduce emergency room and hospital visits by using technology and infirmary services instead.
- ◆ **Technical Institute Funding:** The Governor is recommending a decrease of \$557,644 in general funds due to actual student numbers being 179 less than budgeted for in FY2013.
- ◆ **DSS Medicaid Eligibles Revision:** The Governor is recommending decreases of \$6,027,928 in general funds and \$7,835,495 in federal fund expenditure authority due to updated projections which estimate fewer Medicaid eligibles than previously anticipated.