

## SPECIAL APPROPRIATION RECOMMENDATIONS

FY2019 EMERGENCY SPECIAL APPROPRIATIONS	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL
Jameson Prison Annex Expansion		\$ 7,392,235			\$ 7,392,235
Innovation Grants		\$ 6,000,000			\$ 6,000,000
National Guard Readiness Center		\$ 3,884,885	\$ 11,654,655		\$ 15,539,540
Extraordinary Litigation Fund		\$ 2,300,000			\$ 2,300,000
Readiness and Environmental Protection Integration Program		\$ 1,845,000			\$ 1,845,000
Metrology Lab		\$ 1,660,000			\$ 1,660,000
Second Century Pheasant Habitat		\$ 1,000,000			\$ 1,000,000
Rural Healthcare Recruitment Assistance Programs		\$ 979,849			\$ 979,849
Fire Suppression Fund		\$ 906,658			\$ 906,658
Veteran's Bonus Program		\$ 600,000			\$ 600,000
Emergency and Disaster Fund		\$ 550,596			\$ 550,596
Elm Lake Dam		\$ 521,403			\$ 521,403
Palisades State Park		\$ 500,000			\$ 500,000
Tax Refunds for Elderly and Disabled		\$ 450,000			\$ 450,000
Military Storage Buildings			\$ 1,104,000		\$ 1,104,000
Volkswagen Settlement Funds				\$ 8,125,000	\$ 8,125,000
Omnibus Water Bill			\$ 150,000	\$ 14,350,000	\$ 14,500,000
Resource Conservation Grant				\$ 500,000	\$ 500,000
<b>TOTAL FY2019 EMERGENCY SPECIAL APPROPRIATIONS</b>	<b>0.0</b>	<b>\$ 28,590,626</b>	<b>\$ 12,908,655</b>	<b>\$ 22,975,000</b>	<b>\$ 64,474,281</b>

**NOTE:** FY2019 emergency special appropriations become available for expenditure upon passage of the bill and are included in the FY2019 column of the General Fund Condition Statement.

The Governor is recommending total emergency special appropriations of \$28,590,626 in general funds, \$12,908,655 in federal fund expenditure authority, and \$22,975,000 in other fund expenditure authority. The following paragraphs highlight each recommended emergency special appropriation.

- **Jameson Prison Annex Expansion:** The Governor is recommending \$7,392,235 in general funds to construct a health services building adjacent to Jameson Prison.
- **Innovation Grants:** The Governor is recommending \$6,000,000 in general funds for nursing home and primary and prenatal care innovation grants.
- **National Guard Readiness Center:** The Governor is recommending \$3,884,885 in general funds and \$11,654,655 in federal fund expenditure authority to fund the second and third year costs of construction of a National Guard Readiness Center at the Rapid City Regional Airport.
- **Extraordinary Litigation Fund:** The Governor is recommending \$2,300,000 in general funds be deposited into the Extraordinary Litigation Fund to fund litigation expenses which are not eligible to be paid under SDCL 3-22-1.
- **Readiness and Environmental Protection Integration Program:** The Governor is recommending \$1,845,000 in general funds to help remove land-use conflicts near Ellsworth Air Force Base.
- **Metrology Lab:** The Governor is recommending \$1,660,000 in general funds to renovate a building in Sturgis for the state metrology lab.
- **Second Century Pheasant Habitat:** The Governor is recommending \$1,000,000 in general funds for the protection and enhancement of wildlife habitat across the state.
- **Rural Healthcare Recruitment Assistance Programs:** The Governor is recommending \$979,849 in general funds to recruit medical professionals to rural communities.
- **Fire Suppression Fund:** The Governor is recommending \$906,658 in general funds be deposited into the Fire Suppression Fund for costs related to the suppression of wildfires in South Dakota.
- **Veteran's Bonus Program:** The Governor is recommending \$600,000 to continue the veteran's bonus program within the Department of Veterans Affairs.
- **Emergency and Disaster Fund:** The Governor is recommending \$550,596 in general funds be deposited into the Emergency and Disaster Special Fund for costs related to emergencies and disasters in South Dakota.
- **Elm Lake Dam:** The Governor is recommending \$521,403 in general funds for costs associated with the replacement of the Elm Lake Dam.
- **Palisades State Park:** The Governor is recommending \$500,000 in general funds for the construction of improvements at Palisades State Park.

- **Tax Refunds for Elderly and Disabled:** The Governor is recommending \$450,000 in general funds for tax refunds to elderly and disabled individuals who meet income guidelines.
- **Military Storage Buildings:** The Governor is recommending \$1,104,000 in federal fund expenditure authority for military motor vehicle storage buildings at West Camp Rapid in Rapid City and Joe Foss Field in Sioux Falls.
- **Volkswagen Settlement Funds:** The Governor is recommending \$8,125,000 in other fund expenditure authority to reduce nitrogen oxide air emissions for mobile source throughout South Dakota.
- **Omnibus Water Bill:** The Governor is recommending \$150,000 in federal fund expenditure authority and \$14,350,000 in other fund expenditure authority for water development, solid waste, and water quality improvement projects throughout the state.
- **Resource 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.

FY2019 GENERAL BILL AMENDMENTS	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL
Provider Rate Increases		\$ 3,776,805	\$ 4,553,210	\$ 44,631	\$ 8,374,646
Methamphetamine Prevention Campaign		\$ 1,375,000			\$ 1,375,000
Bureau Billings Pool		\$ 426,103	\$ 374,214	\$ 1,450,812	\$ 2,251,129
Dual Credit Enrollment		\$ 358,742			\$ 358,742
Secretary of State Operations		\$ 150,000	\$ 3,253,400		\$ 3,403,400
Attorney General Operations	2.0	\$ 107,406	\$ 2,443,048	\$ 2,923,704	\$ 5,474,158
Department of Agriculture Resource Conservation and Forestry		\$ 100,000			\$ 100,000
DUI Court Funding		\$ 100,000	\$ (100,000)		\$ -
Technical Institute Revision		\$ 81,505			\$ 81,505
Department of Military Civil Air Patrol		\$ 11,244			\$ 11,244
Legislator Pay Changes		\$ (20,140)			\$ (20,140)
Department of Human Services Operations	(6.0)	\$ (305,194)	\$ 3,605,692		\$ 3,300,498
Department of Corrections Operations		\$ (379,639)	\$ (490,494)		\$ (870,133)
Statewide Utilities		\$ (398,820)	\$ (70,240)	\$ (7,407)	\$ (476,467)
Care Coordination Agreements		\$ (6,843,582)	\$ 2,222,914		\$ (4,620,668)
State Aid Revision		\$ (6,903,895)			\$ (6,903,895)
Department of Social Services Operations		\$ (19,832,331)	\$ (7,554,556)		\$ (27,386,887)
Department of Health Operations			\$ 1,894,385	\$ (107,710)	\$ 1,786,675
Department of Education Project AWARE Grant	1.0		\$ 1,532,286		\$ 1,532,286
Department of Labor and Regulation Operations	(2.0)		\$ 759,928		\$ 759,928
Department of Transportation Operations			\$ 720,000	\$ 180,000	\$ 900,000
Department of Public Safety Operations			\$ 450,000	\$ 282,476	\$ 732,476
Governor's Office of Economic Development Operations				\$ 3,376,568	\$ 3,376,568
Animal Industry Board				\$ 3,349,713	\$ 3,349,713
Game, Fish and Parks Capital Development				\$ 1,581,250	\$ 1,581,250
Bush Foundation Grant				\$ 20,000	\$ 20,000
<b>TOTAL FY2019 GENERAL BILL AMENDMENTS</b>	<b>(5.0)</b>	<b>\$ (28,196,796)</b>	<b>\$ 13,593,787</b>	<b>\$ 13,094,037</b>	<b>\$ (1,508,972)</b>

**NOTE:** FY2019 general bill amendments are changes needing to be made to the FY2019 General Appropriations Act and are included in the FY2019 column of the General Fund Condition Statement.

The Governor is recommending total general bill amendments of (5.0) FTE, (\$28,196,796) in general funds, \$13,593,787 in federal fund expenditure authority, and \$13,094,037 in other fund expenditure authority. The following paragraphs highlight the recommended changes to the FY2019 General Bill.

- Provider Rate Increases:** The Governor is recommending increases of \$3,776,805 in general funds, \$4,553,210 in federal fund expenditure authority, and \$44,631 in other fund expenditure authority to increase provider reimbursement rates. This includes funding for 2.5% discretionary inflation, as well as funding for providers under 100% of methodology.
- Methamphetamine Prevention Campaign:** The Governor is recommending an increase of \$1,375,000 in general funds for a methamphetamine prevention media campaign.
- Bureau Billings Pool:** The Governor is recommending increases of \$426,103 in general funds, \$374,214 in federal fund expenditure authority, and \$1,450,812 in other fund expenditure authority throughout state government due to increases in internal service rates charged by the bureaus.
- Dual Credit Enrollment:** The Governor is recommending an increase of \$358,742 in general funds due to increased Dual Credit enrollments.
- Secretary of State Operations:** The Governor is recommending an increase of \$150,000 in general funds and \$3,253,400 in federal fund expenditure authority for election system and cybersecurity upgrades.
- Attorney General Operations:** The Governor is recommending increases of 2.0 FTE, \$107,406 in general funds, \$2,443,048 in federal fund expenditure authority, and \$2,923,704 in other fund expenditure authority for one-time equipment for methamphetamine interdiction agents, DNA supplies, upgrades to the Automated Fingerprint Identification System, an anti-methamphetamine program, and Volkswagen Settlement distributions.
- Department of Agriculture Resource Conservation and Forestry:** The Governor is recommending an increase of \$100,000 in general funds to evaluate and update the Coordinated Plan for Natural Resource Conservation.
- DUI Court Funding:** The Governor is recommending an increase of \$100,000 in general funds and a decrease of \$100,000 in federal fund expenditure authority for a funding change for two DUI courts due to the reduction of federal grants.
- Technical Institute Revision:** The Governor is recommending an increase of \$81,505 in general funds due to updated full-time equivalent student numbers at the Technical Institutes.

- **Department of Military Civil Air Patrol:** The Governor is recommending an increase of \$11,244 in general funds to purchase a drone package used for search and rescue efforts.
- **Legislator Pay Changes:** The Governor is recommending a decrease of \$20,140 in general funds due to lower than projected legislator salaries for FY2019, and an increase in the legislative per diem from \$142 to \$149.
- **Department of Human Services Operations:** The Governor is recommending decreases of 6.0 FTE and \$305,194 in general funds, as well as an increase of \$3,605,692 in federal fund expenditure authority for reductions at the South Dakota Developmental Center and increases in Long Term Services and Supports.
- **Department of Corrections Operations:** The Governor is recommending decreases of \$379,639 in general funds and \$490,494 in federal fund expenditure authority due to the declining juvenile population.
- **Statewide Utilities:** The Governor is recommending decreases of \$398,820 in general funds, \$70,240 in federal fund expenditure authority, and \$7,407 in other fund expenditure authority due to a decrease in utility cost projections.
- **Care Coordination Agreements:** The Governor is recommending a decrease of \$6,843,582 in general funds and an increase of \$2,222,914 in federal fund expenditure authority for new agreements and shared savings related to Care Coordination agreements.
- **State Aid Revision:** The Governor is recommending a decrease of \$6,903,895 in general funds due to lower than projected student numbers and higher than projected property tax valuations in FY2019.
- **Department of Social Services Operations:** The Governor is recommending decreases of \$19,832,331 in general funds and \$7,554,556 in federal fund expenditure authority due to changes in Medicaid eligibles, utilization, and cost; the Human Services Center payer mix; and utilization of the Juvenile Justice Reinvestment Initiative services. Also included are increases for the Child Care Block Grant and State Opioid Response Grant.
- **Department of Health Operations:** The Governor is recommending an increase of \$1,894,385 in federal fund expenditure authority and a decrease of \$107,710 in other fund expenditure authority for the Opioid Crisis Cooperative Agreement and Prescription Drug Monitoring grant programs, as well as funding changes in Child and Family Services.
- **Department of Education Project AWARE Grant:** The Governor is recommending an increase of 1.0 FTE and \$1,532,286 in federal fund expenditure authority for the Project AWARE grant to increase awareness of mental health issues, train educators, and connect children, youth, and families to appropriate services.
- **Department of Labor and Regulation Operations:** The Governor is recommending a decrease of 2.0 FTE and an increase of \$759,928 in federal fund expenditure authority to develop an apprenticeship program. Also included is a decrease in the Unemployment Insurance division.
- **Department of Transportation Operations:** The Governor is recommending increases of \$720,000 in federal fund expenditure authority and \$180,000 in other fund expenditure authority for the replacement of a pavement condition monitoring vehicle.
- **Department of Public Safety Operations:** The Governor is recommending increases of \$450,000 in federal fund expenditure authority and \$282,476 in other fund expenditure authority for increases in the Motor Carrier grant, operating expenses in the administrative offices, and one-time equipment for additional highway patrol.
- **Governor's Office of Economic Development Operations:** The Governor is recommending an increase of \$3,376,568 in other fund expenditure authority for Local Infrastructure Improvement and the South Dakota Housing Opportunity programs.
- **Animal Industry Board:** The Governor is recommending an increase of \$3,349,713 in other fund expenditure authority for the Animal Disease Research Diagnostic Lab bond payment.
- **Game, Fish and Parks Capital Development:** The Governor is recommending an increase of \$1,581,250 in other fund expenditure authority for awards received from the Helmsley Trust for forest rehabilitation in Custer State Park.
- **Bush Foundation Grant:** The Governor is recommending an increase of \$20,000 in other fund expenditure authority for a grant the Department of Tribal Relations received from the Bush Foundation.

FY2019 EXPENDITURE TRANSFERS	FTE	GENERAL FUNDS	FEDERAL FUNDS	OTHER FUNDS	TOTAL
Rural Broadband Expansion		\$ 5,000,000			\$ 5,000,000
State Radio Infrastructure and Systems Upgrade		\$ 4,620,920			\$ 4,620,920
<b>TOTAL FY2019 EXPENDITURE TRANSFERS</b>	<b>0.0</b>	<b>\$ 9,620,920</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,620,920</b>

**NOTE:** FY2019 expenditure transfers are included in the FY2019 column of the General Fund Condition Statement.

The Governor is recommending total expenditure transfers of \$9,620,920 in general funds. The following paragraphs highlight the recommended expenditure transfers.

- **Rural Broadband Expansion:** The Governor is recommending \$5,000,000 in general funds be transferred to the Governor's Office of Economic Development to increase access to broadband services throughout South Dakota.
- **State Radio Infrastructure and Systems Upgrade:** The Governor is recommending \$4,620,920 in general funds be transferred to the Bureau of Information and Telecommunications to upgrade the state radio infrastructure and systems.