Bill Brief for HB1005 – An Act to require the Government Operations and Audit Committee to provide oversight to the Board of Regents on issues relating to the university centers.

- Construction of University Center at Sioux Falls was approved in the 2006 Legislature. Limitations were placed on the operation according to SDCL 13-51-1.3.

- A 10-year review of the Sioux Falls center was to be conducted in 2016 and every 10 years thereafter, according to SDCL 13-51-1.4. It called for a special legislative task force to be appointed to review the appropriateness of the law authorizing the Sioux Falls center and to make recommendations to the Legislature on any revisions, additions, or deletions to the various conditions contained within state law.

- It was determined that the Legislative Planning Committee should be the committee to receive the university center report in October 2016. That committee requested a report on the finances and status of all three university centers, located in Sioux Falls, Rapid City, and Pierre.

- That committee decided that a 10-year timeframe for review was not appropriate and agreed to submit legislation that would require an annual report from all three centers. This was the basis for the original bill submitted this session as House Bill 1005.

- As amended, the bill moves the annual reporting requirement to the Government Operations and Audit Committee and requires the format of financial reports to be determined by the Auditor General, which is the agency that staffs the GOAC committee.

- The Board of Regents supports this opportunity to share information annually with a legislative committee and agrees that the GOAC committee is an appropriate body to review this information.

- As amended, the bill also allows the GOAC committee to determine the format for the information that it requests, which will likely be spelled out through a Letter of Intent.

- The committee will review the finances and operations of Capital University Center at Pierre, University Center-Sioux Falls, and Black Hills State University-Rapid City. Any committee findings and recommendations will be forwarded to the full Legislature.