Bill Brief – House Bill 1057

Construction of the Madison Cyber Labs and Demolition of Lowry Hall at Dakota State University

What does this bill do?
• This bill authorizes construction of the Madison Cyber Labs on the campus of Dakota State University and demolition of Lowry Hall, which is the site of the new building. An emergency clause is included to enable demolition and construction to begin upon passage and approval of the legislation.

Summary of Bill by Section:
• Section 1 – authorizes the Board of Regents to construct a new research building, the Madison Cyber Labs, on the campus of DSU.
• Section 2 – appropriates $18,000,596 of ‘other fund’ expenditure authority to pay for the Madison Cyber Labs. Funding is in hand from private sources.
• Section 3 – allows for some adjustment in cost, as the $18,000,596 is presented in 2017 values. If additional dollars are available, DSU may spend up to 125 percent of this amount (or 25 percent more than $18,000,596).
• Section 4 – allows the Board of Regents and DSU to accept, transfer, and expend funds obtained for the project.
• Section 5 – authorizes the demolition of Lowry Hall, making way for the new Madison Cyber Labs building. Lowry Hall has met its useful life and will be demolished and removed. The DSU Campus Master Plan identifies this location for a research building.
• Section 6 – gives Bureau of Administration general charge and supervision of the administration of the design and construction of the project under state law (SDCL 5-14).
• Section 7 – authorizes the executive director of the Board of Regents to approve vouchers and the state auditor to draw warrants to pay expenditures for this project.
• Section 8 – declares an emergency, making the bill effective upon passage and approval. This is needed for construction to begin in spring 2018.

Funding for the Madison Cyber Labs:
• Funding for the building has been provided through private donations from Miles and Lisa Beacom and T. Denny Sanford in the amount of $14 million. Remaining funds for the building comes from a grant from the Future Fund.

What is the Madison Cyber Labs?
• Madison Cyber Labs is both an organizational structure and a new facility to house the organization and its activities. The organization is made up of interdisciplinary labs and institutes where researchers will conduct applied research and development related to cybersecurity in a variety of domains. Madison Cyber Labs (or MadLabs for short) will be a mix of DSU applied research projects and cybersecurity projects for outside organizations and corporations. These activities will generate new jobs and economic development in the state and region.