

Bill Brief for SB42 – An Act to authorize the Board of Regents to contract for the design and construction of an addition to the wellness center at the University of South Dakota, to make an appropriation therefor, and to declare an emergency.

What does this bill do?

- This bill authorizes the University of South Dakota to design and construct an addition to the campus wellness center at a cost of \$25 million in “other fund” expenditure authority.
- The expansion would add approximately 47,405 square feet to the existing wellness center and will include a 50-meter pool, a wellness pool, hot tub, steam room, restrooms, locker rooms, seating, and storage.

Why is it necessary?

- This is the second of three phases of upgrades to the USD Wellness Center, the first of which was completed in 2011. This phase replaces the 43-year-old swimming pool, currently located in the DakotaDome, and improves aquatics for students and the community.

Has this ever been done before?

- In general, auxiliary building projects on university campuses do not require legislative approval. However, there is a small percentage of academic use planned for the new addition to this building. As a result, the Board of Regents believed it was appropriate to request legislative approval for the authority to proceed on this project.

What is the source of funds for this project?

- Funds for this project will be \$25 million in “other fund” authority. No state general funds will be used on this project.

What would the annual debt service be on these bonds?

- It is unlikely that USD will need to incur debt on this project. If it was needed, the projected annual debt service payment would be \$262,141, assuming a 3% interest rate on a 20-year bond issue.