



# Vermillion PLAIN TALK

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## District 17 Legislators Preview Upcoming Session

By David Lias [david.lias@plaintalk.net](mailto:david.lias@plaintalk.net) Jan 12, 2024

South Dakota lawmakers will work hard to increase the funding by 4% of the “Big Three” in the state – education funding, salary raises for state employees and Medicaid expansion – during the 2024 South Dakota legislative session.

That’s according to District 17 Sen. Sydney Davis and District 17 Rep. Chris Kassin, both of Vermillion, who addressed the Vermillion Rotary Club’s noon luncheon on Wednesday, Jan. 3.

District 17 Rep. William Shorma of Dakota Dunes was out of state last Wednesday and not able to participate in the preview of this year’s session, which began Tuesday, Jan. 9 in Pierre with Gov. Kristi Noem’s State of the State address.

Davis, a Republican who was elected to the South Dakota House of Representatives in 2020, ran unopposed for the South Dakota Senate in 2022. This will be her second year serving in that chamber.

“I have the privilege of understanding a little bit of the dynamics and differences of both chambers, which is helpful and also still have friends and colleagues on the other side,” she said, “which makes it easier to get things done and accomplished.”

Davis serves as vice chair on the Senate Health Committee and is a member of the Senate Education Committee and the Senate State Affairs Committee.



District 17 Rep. Chris Kassin of Vermillion and District 17 Sen. Sydney Davis of Burbank discuss a range of issues at the Wednesday, Jan. 3 luncheon meeting of the Vermillion Rotary Club, held in the Al Neuharth Media Center on the University of South Dakota campus in Vermillion. Courtesy of Vermillion Rotary

She works as a nurse anesthetist in Vermillion. She and her husband farm north of the community and have two children.

Kassin, a Republican, was elected to the South Dakota House in 2022.

“I really learned a lot in the first year. Sydney and anybody else who has served knows that the first year is drinking from a fire hose. It was a lot and this year, hopefully, I’m more prepared,” he said. “I have a better understanding of what to expect and what we can do and how we can work with our colleagues across the chamber in the Senate.”

Kassin lives in Vermillion and is employed by the University of South Dakota Foundation, raising funds on behalf of students at the USD. He holds

bachelor's and master's degrees from USD. He and his wife are parents of two children.

"I serve on the Appropriations Committee which has a different task than the policy committees that Sydney mentioned," he said. "We are the budget-setting committee for the state Legislature and mainly deal with getting things prepared so that we can have a 99th year of having a balanced budget."

Kassin said Gov. Noem gave her budget address in early December and the Legislature is ultimately responsible for formulating South Dakota's budget each year. The state's fiscal year 2025 budget totals \$7.3 billion and includes general, state, federal and other funds.

The general fund totals \$2.4 billion for FY 2025, he said.

"That is up \$115 million over FY24," Kassin said. "The general fund highlights are very similar to the previous (one): \$994 million for health and human services, \$756 for state aid to education and \$333 million going to higher education. The governor this year proposed a 4% increase to what we refer to as the 'Big Three' — education funding, so state aid to education, state employees and then also Medicaid," Kassin said.

He added that he's often asked why these components of the budget are referred to as "The Big Three."

"The explanation I was given was education has an abundance of lobbyists, Medicaid has an abundance of lobbyists, state employees are the group that doesn't have an abundance of lobbyists, so in order to make sure that everybody is treated equally," Kassin said, "we kind of lump them together."

It is projected that there is \$115 million of ongoing revenue in the budget and the 4% increase that the governor has proposed will demand approximately \$92 million.

"That leaves a little bit of ongoing revenue to be discussed; if the Legislature accepts the 4% increase," he said. "I will say the Board of Regents number one priority again this year is a tuition freeze. With the 4% increase, I would say that's somewhere in the neighborhood of \$18 to \$20 million."

Kassin said Regental universities in the state have been able to offer a tuition freeze for the past three years.

"That has had a major impact; we're talking about three years and this will be the fourth year now of a tuition freeze," he said. "That has a major impact on keeping us competitive in-state and attracting students from out-of-state. Like I said, that is their (the Regents) number one priority; it wasn't in the governor's address, but we'll see if that's something that the Legislature as a whole takes up."

South Dakota has \$208 million of one-time dollars to use during budgeting this year, Kassin said.

"I do appreciate that the governor had \$18 million in her budget this year for what we refer to as the stair step towards FMAP (Federal Medical Assistance Percentages) or in full need for Medicaid expansion which was voted on by the public," Kassin said. "Full need for 2026 is \$65 million. There are some incentives which helps as we get to 2026.

"Last year, the Legislature started this. We put \$11 million away so that we don't get to 2026 and all of a sudden we owe \$65 million and we have nothing in the bank," he said.

Kassin said there are also proposals to allocate \$6 million for a K-12 literacy program and \$6 million for quantum computing as a Regental project.

South Dakota's budget will contain approximately \$120 million of ARPA (American Rescue Plan Act) dollars.

The governor has proposed that \$95 million of those funds go to DANR (South Dakota Department of Agriculture and Natural Resources) to continue several projects and \$10 million to the Department of Corrections, he said.

"We have talked a lot about prisons," Kassin said. "Currently, the Legislature in combination with the governor have set aside about \$360 million at this point for the construction of prisons, particularly a male prison this year. The governor has proposed putting an additional \$228 million in the incarceration construction fund.

"We've been told that it will be somewhere in the neighborhood of \$700 million to \$800 million for

the construction of the prisons, including the women's prison that is being built at Rapid City," he said. "I actually think with cost overruns and the way things are going, we're probably looking at closer to a billion dollars for construction of the prisons."

Kassin said he plans to introduce a bill that keeps the interest earned by the incarceration construction fund (ICU) in that fund versus having it go somewhere else.

"That way, the fund is spent on the prisons," he said. "It seems pretty common sense; it would bound those dollars to the ICU."

The governor highlighted the allocation of \$1.4 million toward creating an indigent legal defense fund state-wide," Kassin said. "I think that is estimated to be a \$600 million savings to the counties."

Davis said the indigent legal defense fund is the product of a couple summer studies held by lawmakers.

"One of them (study committees) was focused on counties and the struggling financial burdens that they're experiencing. There are a lot of very good ideas that have come from that group" she said, "so I think we'll hear numerous bills."

Davis predicts there will be strong support for legislation that provides funding for the indigent legal defense fund. "I just think that's a smart idea that ends up saving money."

She added that the Legislature will likely help counties improve their cyber-security measures.

"South Dakota was one of the only states that didn't apply for some federal dollars, but yet we know that our counties are in desperate need of better infrastructure when it comes to protecting citizens' information," Davis said. "I think there is some strong desire for the Legislature to intervene and help counties in that regard."

With her background in health care, the District 17 senator hopes the Legislature can address issues relating to long-term health care in South Dakota.

"We saw 12 nursing homes close over the last year in the state, including one in our legislative district in Elk Point and the impact that that is having on caring for elderly and needy populations – there are

lots of good ideas coming out of that, too, that are looking at funding, looking at workforce," Davis said. "It's a very complicated issue with several moving pieces, but I think our committee is coming away with some workable solutions."

She plans to sponsor legislation that seeks grant money for technology improvements for long-term care facilities.

"This would be a one-time funding ask," Davis said. "What we've seen in other facilities is telemedicine really playing a role in improving access to care, decreasing the burden of travel for more remote nursing homes and just giving the staff that is there more resources to take care of folks.

"Some of that technology isn't completely out of reach financially," she said, "but a little bit would go a long way to help them get it instituted and set up. We're hoping to write the grant applications and they would be very broad because we know the needs vary a lot depending on the facility and depending on where they're located. That was one of the big examples where we saw really good implementation of technology that not only improved patient outcomes but also supported workforce which we know they're struggling with."

A second bill that Davis will help make its way through the legislative process is called PACE, which is a program for all-inclusive care for the elderly.

"This exists in other states. It's a federal Medicare-Medicaid program that we, as a state in order to implement, need to be permissive and allow it in our state Medicaid plan," she said.

A PACE program is in operation in Sioux City, Iowa.

"What's interesting about PACE is you see better care for patients because the administrators are incentivized to focus more on prevention because they are given capitated payments on a monthly basis to care for people," Davis said. "There are incentives to prevent falls, to prevent chronic acute issues that are going to be more costly down the road.

"A lot of this is based on folks staying in their homes and coming to PACE centers and they can

get all of the care they need under one roof,” she said. “It was exciting to learn about; I think it could be really helpful to the State of South Dakota in a lot of ways. Our bill, at the moment, is asking for a feasibility study to fund that.”

Davis said she and her fellow District 17 lawmakers make visiting all school districts in the legislative district a priority and communicate with school board members and administrators to learn their needs and concerns.

“We were all surprised to hear the 4% (increase in education funding) from the governor. I think we were anticipating somewhere along a 2% to 3% increase, so 4% is more than we anticipated and a lot of the superintendents that we talked to were pleased to hear that,” she said.

Davis noted that school lunch funding and costs have been in the news lately.

“We’ve been talking with our school districts in the area here about what kind of impact they’re feeling from that and how much of a priority that is for them for the state to jump in,” she said. “Interestingly, we heard that, yes, it’s an issue, but

I would say that overwhelmingly their biggest concern is mental health in our schools and the resources they need to assist the kids that need it — whether it’s counseling resources or even out-of-state or other educational opportunities that they need to go to because they can’t meet the needs in our current public schools.”

There are several proposals being worked on by various lawmakers that may help school districts deal with school lunch debt they are currently experiencing, Davis said.

She added that continuing the tuition freeze at USD and other Regental education facilities is a major issue.

“The reason it gets to be so important is the trickle effect it has on our workforce in our state,” Davis said. “We know that one of every three college students that graduates from here stays in our state to work. The more that we can recruit students to come here, the more that we know they will stay and contribute to our workforce and our communities.”