

EXHIBIT L

Transcript of November 18, 2021
Executive Board Meeting

EXECUTIVE BOARD HEARING

November 18, 2021

3:09:00 for 10 Minutes

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- CG: Senator Gosch
- VC: Senator Schoenbeck
- RB: Representative Bartels
- RC: Representative Chase
- RD: Representative Derby
- RG: Representative Gosch
- RL: Representative Ladner
- RO: Representative Otten
- RP: Representative Peterson
- RS: Representative Smith
- SC: Senator Cammack
- SD: Senator Duvall
- SH: Senator Heinert
- SM: Senator Maher
- SS: Senator Stalzer
- ST: Senator Tobin
- LRC: Staff Director
- GOAC: Government Operations and Audit Committee member,
Senator Schoenfish

CG: Okay with that being said we will move on to the Government Operations and Audit Committee report, and I think we have Senator Schoenfish on the line. Senator take it away.

GOAC: Alright, good afternoon Mr. Chair, members of the committee, Kyle Schoenfish, Senator for District 19, Chair of the Government operations and Audit Committee. Our responsibilities and actions that are summarize very well on the report provided to you. With the performance measures where agencies detail their missions and data to show us that they are achieving their goals, we had a heavier workload due to Covid 19. My goal is to review what all the agencies that were due up normally that would be about 7 a year, this year was about 12. All the agencies presented their measures and were heard by the committee. The committee did their diligence by closely evaluating the measures and suggesting changes in some instances. In addition the committee voted to authorize me to create a subcommittee to provide further guidance to departments on what the committee might be looking for in their performance measures and the subcommittee has been appointed to do that. At the end of the GOAC section of your report you will see the performance measures from each department that were reviewed this year.

1 All heard from the Department of Education regarding the
2 stimulus dollars (inaudible) education in South Dakota. At
3 the time that was around \$750,000,000 in extra onetime
4 dollars. The Auditor General also gave a briefing on the
5 stimulus dollars going to local governments like cities and
6 counties and explained the audit requirements for those local
7 governments. Those stimulus dollars have different
8 requirements and different deadlines and it's important to
9 keep a close watch on those dollars even if they are directly
10 a part of state government. We heard from the Department of
11 Corrections about staffing and safety issues and the
12 committee is expecting a follow up from the department as
13 they were going through their own studies at that time.
14 Department of Legislative Audit presented the State Audit
15 Report, the committee asked questions and followed up on
16 several of those findings. Numerous agencies presented
17 reports which are contained in GOAC's Annual Report. The
18 committee's review of the Appraiser Certification Program is
19 discussed in the report. The committee received testimony
20 from the director of the Department of Labor and the current
21 president of the Professional Appraiser's Association of
22 South Dakota. The report indicates the committee took action
23 to request additional information on a specific applications
24 which was a subpoena for a document. I received the document,
25 my state email, and had it forwarded to all the members of
26 the committee so that subpoena would no longer be necessary.
27 The committee also took action to subpoena Ms. Sherry Bren,
28 the former director of the Appraiser Certification Program to
29 provide additional testimony and answer committee questions.
30 She has indicated through her lawyer she is willing to do
31 this with the action of a subpoena. Subpoena for Ms. Bren
32 received a favorable vote in the last GOAC committee meeting.
33 We heard numerous aspects of the Appraiser Program including
34 changes recently made to the program. Ms. Bren as the former
35 director for many years, will be able to provide valuable
36 insights on where the program was and where it might be
37 heading, therefor on behalf of the GOAC committee I request
38 your favorable support of ratifying the subpoena so we can
39 continue those discussions. It has been an honor to serve as
40 chair and I'm proud of the work the committee did and I'd
41 like to thank the Department of Legislative Audit and their
42 staff, House Chairman Representative Gross as well as the
43 other members of the committee. Thank you, I will stand by
44 for questions.

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46 CG: And thank you. Senator Schoenbeck.
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1 VC: Mr. Chairman, I would move the committee recess for 15
2 minutes.

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4 CG: K. We will be at recess for 15 minutes. We're waiting
5 for Senator Heinert, but while we do so I'll turn it over to
6 Senator Schoenbeck on schedule change for tomorrow.

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8 VC: Our committee that is scheduled to meet at 10 tomorrow
9 is gonna come in at 9:00, we'll still try and take the public
10 testimony at 10 or whatever accommodates in that regard just
11 so the people who were planning on, I know there are some
12 that are planning to testifying. For those that are remote,
13 that's fine, we'll look at your face on the computer screen
14 but we're gonna start at nine and I, I call it the Covid
15 cash, that's not it's proper name and a we will be done by 11
16 for sure, which I believe you're gonna bring the board
17 meeting back in at 11 then?

18
19 CG: Yeah, Mr. Director, if we're gonna be done you know if
20 he's gonna move that up and be done by 11 we could convene at
21 11 to take on that committee report and then after that
22 adjourn and reconvene as the bonding committee at 11:15.
23 Thank would just move our timeline up. If that works Mr.
24 Director?

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26 LRC: A yes Mr. Chairman it does. I am going to suggest
27 though that the Bonding Committee be at 11:30 not 11:15 the
28 reason is we got to transition a few things here on the
29 operations side so, but we'll make those postings of your
30 agendas, those revisions later today.

31
32 CG: Okay, so to make it supper easy, everybody that's not on
33 the Covid Committee be here or online at 11:00 and we can go
34 from there. Is Senator Heinert on, I see a 319 number?

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36 SH: That is me.

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38 CG: Alright, so we'll go ahead and continue where we left
39 off. You know, thank you Senator Schoenfish for the report on
40 the GOAC Committee, you know a lot of great things said. Any
41 conversation and or motions on that, Senator Schoenbeck.

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43 VC: Mr. Chairman, I would move that the Executive Board
44 ratify the GOAC's subpoena request with respect to Sherry
45 Bren.

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47 CG: Motion made by Senator Schoenbeck, seconded by
48 Representative Otten, further discussion on your motion.

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VC: Thank you Mr. Speaker. Let me express I think the opinion the Senators that I visited with that we feel strongly that this has a limited scoop, it's about the functionality of the Appraisal Program of which there is much discussion probably in all of our districts because of the critical roll appraisers play in getting financing and dealing with the whole housing issues that we've been talking about so it's our strong opinion that when Ms. Bren appears that this should be about that and not about personalities or personnel issues or anything like that. That was a very strong opinion of the Senators and having said that let me say that I think that the role of the Executive Board when you get these requests are if the committee's request is within the scoop of their work, and this one is, then we should approve that. I think it's our job to support the work of committees, we appreciate the work that they do do but we feel, at least the Senators feel very strongly that this hearing when it takes place be focused on the challenges, operations and functionality of that appraiser program and not get into other matters.

CG: Further remarks? Yes, Representative Bartels.

RB: Mr. Chair, thank you. I would concur with that. I think that there's a long-standing tradition among bankers being a retired one, that this program has needed some oversight and some looking at for several years just because they have a huge shortage of appraisers in our state and it's even more so in the rural areas and anything they can do to look at how that program functions I think is worth while and maybe they should bring in some of the end users of the appraisers, the mortgage brokers, the bankers, the relators, to find out the problems we have with the shortage of appraisers if they're really going to look how the program works.

CG: Further remarks. Further remarks on Schoenbeck's motion? Hearing to further remarks, the question before the committee, just to restate the motion is to support the subpoena on Bren as recommended by GOAC made by Senator Schoenbeck, seconded by Senator Otten, or Representative Otten, all those in favor will vote aye, those oppose nay, madam secretary please call the roll.

Secretary: Bartels.

RB: Aye.

1 Secretary: Chase
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3 RC: Aye.
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5 Secretary: Derby
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7 RD: Aye.
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9 Secretary: Ladner.
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11 RL: Aye.
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13 Secretary: Otten.
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15 RO: Aye.
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17 Secretary: Peterson.
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19 RP: Aye.
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21 Secretary: Cammack.
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23 SC: No.
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25 Secretary: Duvall.
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27 SD: Aye.
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29 Secretary: Heinert.
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31 SH: Aye.
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33 Secretary: Maher.
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35 SM: Aye.
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37 Secretary: Stalzer.
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39 SS: Aye.
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41 Secretary: Tobin.
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43 ST: Aye.
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45 Secretary: Smith.
46
47 RS: Aye.
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1 Secretary: Schoenbeck.
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3 VC: Aye.
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5 CG: Aye.
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7 Secretary: Mr. Chair you have 14 ayes, one nay.
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9 CG: Motion passes.
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