

Authorities At Standoff Near Kimball

KIMBALL (AP) — State and local law enforcement officers are at a standoff at a house near Kimball in rural Brule County in eastern South Dakota.

The attorney general's office calls it a "very serious situation" but did not elaborate.

The South Dakota Highway Patrol has scheduled a media briefing for 8:45 p.m. Wednesday in Kimball.

The patrol, Brule County Sheriff's Office and state Division of Criminal Investigation are on scene.

Authorities asked the public and media to stay away from the standoff site.

Witness Uncooperative In Murder Trial

SIoux FALLS (AP) — A man convicted of murder was uncooperative when he took the stand Wednesday to testify in the murder trial of a woman who authorities say was his co-conspirator and girlfriend.

A Minnehaha County judge has moved to make Alexander Salgado unavailable for the remainder of the trial against Maricela Diaz after he refused to answer questions and challenged statements from prosecutors and defense attorneys.

Diaz is charged in the 2009 death of 16-year-old Jasmine Guevara. Diaz was 15 at the time, but is being tried in adult court. Prosecutors say the pair lured Guevara to a remote site near Mitchell, stabbed her and left her to die in a burning car. Salgado is serving a life sentence.

Defense attorneys say Diaz was herself a victim of her boyfriend.

Suspect In Custody In Aberdeen Stabbing

ABERDEEN (AP) — Aberdeen police say a woman is in the hospital with life-threatening injuries, and a man accused in the attack is in jail.

The *American News* reports the suspect is expected to appear in court on Friday.

Aberdeen Police Chief Dave McNeil says police and sheriff officers went to a house early Wednesday morning after getting a report about a possible assault and found the woman with serious injuries.

She was taken to Avera St. Luke's Hospital in Aberdeen. McNeil says authorities have not decided what charges will be filed.

Man Dies Following Incident With Police

NORFOLK, Neb. (AP) — Officials say a man has died following an incident with a police officer at a motel in eastern Nebraska.

Norfolk police say officers went to a Super 8 motel Wednesday morning after receiving a series of 911 calls.

Madison County Attorney Joe Smith says a responding officer attempted to deploy a Taser at one point during the incident, but additional information was not available.

A man and the officer were taken to a local hospital, where the man was pronounced dead. The officer involved was not seriously injured.

The *Omaha World-Herald* reports the Nebraska State Patrol is investigating the man's death. The names of the man and the officer have not been released.

Economic Development Candidates Set

LINCOLN, Neb. (AP) — Nebraska Gov.-elect Pete Ricketts has announced four candidates to lead the state Department of Economic Development.

The candidates identified Wednesday were chosen with help from a national search firm. Ricketts will interview each before announcing his selection.

The candidates are Stephen Frayser of San Marcos, Texas, who serves as executive director of the Science, Technology and Advanced Research Park at Texas State University; Brenda L. Hicks-Sorenson of Malone, Wisconsin, an executive with the Wisconsin Economic Development Corporation; Christopher J. McGowan of Sioux City, Iowa, the president of the Siouxland Chamber of Commerce and other groups; and Martin K. Vanags of Indianapolis, Indiana, the executive director of the Indy Chamber and Indy Partnership.

The department's acting director is Dacia Kruse.

S.D. Joins Brief Opposing Ordinance

PIERRE (AP) — Attorney General Marty Jackley says South Dakota has joined a court brief signed by at least two dozen other states opposing a California city ordinance regulating handguns.

Jackley says the amicus, or friend of the court, brief was filed in opposition of a city ordinance that required all citizens who possess handguns in their homes to disable them or to stow them away in a lock box whenever the guns are not being physically carried on the person.

Jackley says he strongly encourages the safekeeping of firearms at homes particularly when children are present. However, he adds, "the government should not come into our home, dictate and enforce how to keep firearms."

The bipartisan brief signed by 25 states argues the ordinance goes against people's Second Amendment rights.

S.D. Will Not Pursue Second Crash Trial

PIERRE (AP) — South Dakota Attorney General Marty Jackley says his office will not pursue a second trial against a Belle Fourche man originally sentenced to serve 25 years in prison for a fatal accident conviction.

Oakley Engesser was convicted of vehicular homicide and vehicular battery for the 2000 crash on Interstate 90 near Sturgis that killed his friend, Dorothy Finley, of Rapid City. Witnesses later came forward and said they believed a woman was driving the car.

A judge in October 2013 overturned Engesser's conviction and ordered a new trial. Jackley appealed but the state Supreme Court in November upheld the ruling.

Jackley said Wednesday that his office has decided to take no further action based on evidence including the new witness testimony and "input from Dorothy Finley's family."

Pierre Airport At Risk Of Losing Funding

PIERRE (AP) — The Pierre Regional Airport is in danger of losing nearly all of its \$1 million in federal funding due to a passenger shortfall last year.

Only 9,174 passengers boarded Great Lakes Aviation planes at the airport to fly to Denver or Minneapolis in 2014, according to Airport Manager Mike Isaacs. That is a 34 percent decline from the five-year average of 13,872 boardings, and significantly below the 10,000 annual enplanements needed to qualify for federal subsidies to maintain the airport, the *Capital Journal* reported.

"If enplanements are 9,999, we get \$150,000," Isaacs said.

Mayor Laurie Gill said the numbers are the lowest she has seen in her 15 years on the City Commission and threaten the airport's future. The city will ask the federal government to waive the 10,000-boardings requirement for 2014.

"We have had one year of troubled air service," Gill said. Delayed and canceled flights were a problem in Pierre last year as Great Lakes struggled with a lack of pilots. The Wyoming-based carrier cited federal regulations that took effect in 2013 requiring co-pilots to log 1,500 flight hours rather than 250 before they can work for commercial airlines.

"The way this has played out for us, we've got a community that has decided they are going to drive somewhere else to fly," Gill said.

Pierre is recommending that the federal government allow Ohio-based Aerodynamics Inc. to take over service to Pierre under the Essential Air Service subsidy program, but the federal Transportation Department wants more information on that carrier's bankruptcy proceeding in Ohio and a federal court judgment against CEO Scott Beale in Virginia allegedly fraud. Beale denies wrongdoing in the fraud case and says Aerodynamics is financially sound.

Neb. Court Could Hold Up Keystone Pipeline

BY MARGERY A. BECK
Associated Press

OMAHA, Neb. — The Republican-led Congress appears ready to approve the Keystone XL oil pipeline, but no matter what actions are taken in Washington, the entire 1,179-mile project could be delayed until Nebraska signs off on the route.

After several years of intense debate, the routing process is before the Nebraska Supreme Court, and depending on how the justices rule, months or years could pass before construction begins in that state.

Even if approval comes from Washington and the high court, opponents are looking for new ways to block the project, including filing a federal lawsuit on behalf of Native American tribes in Nebraska and South Dakota over the possible disruption of Indian affairs.

The court is considering whether an obscure agency known as the Nebraska Public Service Commission must review the pipeline before it can cross the state, one of six on the pipeline's route. Gov. Dave Heineman gave the green light in 2013 without the involvement of the panel, which normally regulates telephones, taxis and grain bins.

The justices have given no indication when they will render a decision. President Barack Obama has said he is waiting for the court's decision, and the White House on Tuesday threatened to veto the bill in what was expected to be the first of many confrontations with the new Congress over energy and environmental policy.

"There's no confusion from our perspective that the White House knows

this route is still risky," said Jane Kleeb, executive director of Bold Nebraska, a leading opposition group.

The \$8 billion pipeline would carry oil from Canada through Montana and South Dakota to Nebraska, where it would connect with existing pipelines to carry more than 800,000 barrels of crude oil a day to refineries along the Texas Gulf Coast.

Six years ago, the project faced little opposition. TransCanada already had an oil pipeline in place to carry crude oil from Canada through North Dakota, South Dakota, Nebraska, Kansas, Missouri and Illinois.

But the massive oil spill in the Gulf of Mexico in 2010 followed by another spill in the Kalamazoo River in Michigan only months later rattled both Nebraska landowners and lawmakers, who worried about what a spill could do to the Ogallala aquifer, which supplies drinking water to about 2 million people in eight states and supports irrigation.

Supporters of the pipeline say those fears are exaggerated, and that the project would create jobs and ease American dependence on oil from the Middle East. A State Department report raised no major environmental objections, they note.

The original route "was the least disruptive in terms of the amount of land that we had to dig up, and that's generally the principle that you look at when you are designing these routes," TransCanada spokesman Shawn Howard said Wednesday. "I think some of these opponents think that you can just draw a route on the back of a napkin and hand that in and say, 'Here's what

we're considering."

Nonetheless, TransCanada bowed to pressure to redraw the route through Nebraska to avoid the most ecologically sensitive parts of the Sandhills region and the aquifer. In 2012, lawmakers approved a law that allowed the governor to give TransCanada Corp. the power to force eastern Nebraska landowners to sell their property for the project.

Several landowners sued, arguing that state law placed regulation of pipelines and other utilities with the public service commission. A lower court sided with landowners last year, and the state Supreme Court is now considering the state's appeal.

In recent years, pipeline opponents have sought to persuade Nebraska landowners not to accept TransCanada's money. In response, TransCanada has blitzed the state with newspaper, television and radio ads to try to sway public opinion and offered property owners as much as \$250,000 for access to their land.

But no amount will shake the resolve of some opponents.

"They could offer \$50 million. We don't care," said Jenni Harrington, part-owner of a family farm on the pipeline route near Benedict. "We're not going to sell out the next generation for any amount of money."

TransCanada, which says it's already facing billions more in costs as the project lags, is just as resolute.

"We know that some people will never be satisfied with the route," Howard said. "But some of these groups, it has nothing to do with the route. It has nothing to do with Nebraska. It has to do with a political ideology and an opposition to fossil fuels."

S.D. Delegation Ready To Work



PHOTO: OFFICE OF SEN. JOHN THUNE
U.S. Sens. Mike Rounds (R-S.D.) and John Thune (R-S.D.) and Rep. Kristi Noem (R-S.D.) joined for the first photo in the 114th Congress of the new South Dakota delegation Wednesday morning in Washington. This Congress marks the first time since 1962 that South Dakota is represented by an all-Republican delegation.

Neb. Legislature Begins With Focus On Tax Cuts, Prisons

BY GRANT SCHULTE
Associated Press

LINCOLN, Neb. — Nebraska lawmakers kicked off the 2015 session on Wednesday with a new speaker and looming debates over property tax cuts and the state's troubled prison system, among other priorities.

It's the first session for more than one-third of the Legislature and for Republican Gov.-elect Pete Ricketts, who takes office Thursday.

Overhauling the prison system will be a top issue because of overcrowding and mismanagement within the Department of Correctional Services, including the early release of hundreds of inmates. Meanwhile, Ricketts has said property tax reductions are his No. 1 priority this year, based on feedback he heard on the campaign trail and public comments made during a recent legislative tax study.

Lawmakers have to approve a new two-year state budget. They're also likely to debate new abortion legislation, K-12 school funding and gambling.

Sen. Galen Hadley, of Kearney, was selected as the new Speaker of the Legislature, defeating state Sen. Colby Coash, of Lincoln, in a 30-19 vote. Hadley, 72, replaces former Sen. Greg Adams, of York, who left office due to term limits.

In his floor speech, Hadley pointed to his experience as a high-ranking administrator at several universities and his tenure as Kearney's mayor.

"I see the position as a leadership position whose primary responsibility is to help all 48 senators do their outstanding work for the citizens of Nebraska," Hadley said of the role, which sets the Legislature's daily agenda and determines when legislation gets debated. Past speakers have also played an important role in brokering deals when lawmakers reach an impasse.

Sen. John Murante of Gretna became the Government, Military and Veterans Affairs Committee chairman on Wednesday, and said it will take a serious look at unfunded state mandates on local governments.

Many cities and counties say those mandates have increased their costs and resulted in higher property taxes. Murante said he's confident lawmakers will see the need for reforms, though they still need to decide how to proceed.

"I don't think there's a ton of people who believe the status quo is good enough," Murante said.

Other legislation he expects to see includes voter ID legislation as well as a bill to move Nebraska into a "winner-take-all" electoral vote-awarding system in presidential elections.

The 18 freshman senators include attorneys, bankers, former school administrators, farmers and ranchers. Republicans gained five seats in the November elections, so the officially nonpartisan Legislature is now comprised of 35 Republicans, 13 Democrats and one independent.

Some freshmen hit the ground running. After he was sworn in, Sen. John S. McCollister of Omaha talked about a bill to reduce Nebraska's license plate fees.

The new senators "are incredibly energetic," said McCollister, who is the son of late former U.S. Rep. John Y. McCollister. "It's going to be a good group. I think you're going to see some high-quality work out of this Legislature."

Lawmakers cast their votes for speaker and committee

leaders in private, despite calls from conservative groups and some lawmakers to make them public.

During the 2013 committee elections, Democrats won chairmanships in nine of the 14 standing committees despite a GOP majority, and many of the Republicans who won were considered moderates.

Sen. Bill Kintner, of Pappillion, said he wouldn't disrupt the election on the session's first day, but the Republican urged his colleagues to change the legislative rules before the next votes in 2017.

This year, Republicans will hold nine committee chairmanships, and Democrats will have five.

Only two committee races were contested: Sen. Jerry Johnson of Wahoo defeated fellow Republican Sen. Lydia Brasch of Bancroft to lead the Agriculture Committee. And Sen. Jeremy Nordquist of Omaha, a Democrat, reclaimed his chairmanship of the Retirement Systems Committee over freshman Sen. Brett Lindstrom, an Omaha Republican.

Sen. Heath Mello of Omaha, a Democrat, was unopposed in his re-election bid for the powerful Appropriations Committee, which writes the state budget.

Lawmakers are scheduled to meet for 90 days, with the session scheduled to end June 5.

Unemployment Fund Rebounds, Looks Solid Again For 2015

BY BOB MERCER
State Capitol Bureau

PIERRE — South Dakota's unemployment insurance fund completed a historic turnaround in 2014 and returned to full strength somewhat faster than expected, state officials said Wednesday.

"That's a positive," Shawn Lyons, executive director for the South Dakota Retailers Association, said. He is a member of the state Unemployment Insurance Advisory Council.

The fund finished 2014 with a balance of approximately \$84.6 million. That was somewhat higher than the target forecast of \$74 million, according to Pauline Heier, the program's director.

She said rate reductions approved by the Legislature last winter take effect this year and would save employers about \$11 million annually, while keeping the balance in excess of \$80 million during most of the year.

The 2009 national recession plunged South Dakota's fund into the red. A federal loan, surtaxes and higher rates became necessary to get through the economic trauma.

"We achieved what we wanted to achieve," Heier said.

State Labor Secretary Marcia Hultman said she hopes the news of lower rates has been well-received by businesses.

"We have balance and a healthy system right now," Hultman said.

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WEEKDAYS MONDAY-FRIDAY
Thursday, January 8
7:40 am Yankton Chamber (Carmen Schramm)
8:20 am Yankton Conv/Vis Bureau (Stephanie Moser)
8:45 am USD Athletics (Joe Tuente)
Friday, January 9
7:40 am SD Magazine (Bernie Hunhoff)
8:35 am Parks & Rec Dept. (Tracey Grotenhuis)

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