

Athletes Ran Tax-Refund Fraud Scheme

SIoux FALLS (AP) — A former University of South Dakota football player who recruited student-athletes, his girlfriend and others to defraud the IRS is set to be sentenced more than two years after he was indicted. Alphonso "Rico" Valdez will be sentenced on federal fraud charges Monday in Sioux Falls. All 11 people that were part of the ring that prosecutors say filed bogus tax returns to the tune of \$1.1 million have pleaded guilty. Authorities busted the fraud ring after it had already netted about \$400,000. Valdez and five others involved were USD football players while the scheme was going on. USD athletic director David Herbst says the student-athletes "didn't exhibit signs or the spoils of such fraudulent activity."

Officials Make Corridor Adjustments

NORTH BEND, Neb. (AP) — Officials have made some adjustments to a proposed highway corridor in eastern Nebraska. The Nebraska Department of Roads met recently with residents in Dodge County to discuss the proposed U.S. Highway 30 expressway alignment. A new proposal would allow more irrigation systems, the *Fremont Tribune* reported. Farmers and others met with officials in October and expressed concerns, including the availability of land for irrigation. Dodge County Board of Supervisors Chairman Bob Missel said landowners walked away from the Thursday meeting in North Bend feeling better about the project. "There's a level of emotion here," he said. "Not everybody's happy. I'm sympathetic (about their concerns)." The nearly \$140 million project involves converting highway between Schuyler and Fremont from two lanes into a four-lane expressway. Construction is scheduled to begin between 2016 and 2019. It's expected to take four to five years to complete. One part of the construction will begin just east of Schuyler in Colfax County. The other part will proceed east to Fremont.

The U.S. Army Corps of Engineers has approved the corridor, according to Missel. He said state officials are trying to lessen the route's impact on some wetlands.

2 Men Injured After Shooting In Omaha

OMAHA, Neb. (AP) — Police say two men fought each other prior to a shooting in Omaha. Officer Michael Pecha says authorities received a call about a shooting around 2:30 a.m. Sunday. Officers found a man with at least one gunshot wound. The 35-year-old man told police he was fighting with another man. He says the suspect shot him while the two struggled. The *Omaha World-Herald* reports the injured man was taken to a local hospital in critical condition but he is expected to recover. Police say they later located the shooter. He also was injured and hospitalized, though additional information is not available. Pecha says the suspect faces charges once he is released from the hospital.

Senator: Consider Airspace Impacts

SIoux FALLS (AP) — With a U.S. Air Force decision likely imminent on whether to establish an enormous bomber training area over the Northern Plains, U.S. Sen. Heidi Heitkamp said she urged a senior Air Force official to consider the expansion's impact on civilian aircraft, businesses and medical facilities. The North Dakota Democrat said she has been reassured about the proposed expansion of the Powder River Training Complex over the Dakotas, Montana and Wyoming. "I'm encouraged by the Air Force's commitment to answer those communications concerns and heed the economic needs of impacted communities," she said. A decision could come in the next few weeks, and then it would go before federal aviation regulators for authorization. Heitkamp said she's been concerned about civilians communicating easily with the Air Force about the expansion and how it would affect medical facilities, agricultural producers and other businesses. Officials from Montana have also raised significant concerns about the expansion, saying the bombers would disrupt rural communities and scare livestock as they roar overhead on maneuvers, dropping flares and chaff. "People in North Dakota are incredibly pro-Air Force," Heitkamp told The Associated Press. "It's not for lack of patriotism or lack of willingness to work through these problems." The proposed expansion would quadruple the training airspace, making it the largest such area over the continental United States. It would be used by B-1 bombers at Ellsworth Air Force Base in South Dakota and B-52 bombers at Minot Air Force Base in North Dakota. South Dakota U.S. Sen. John Thune, who has been working on the proposal since 2006, has said the expansion would also provide an additional layer of protection against Base Realignment and Closure for Ellsworth, which is a significant economic driver for the Rapid City area. Heitkamp said the project will impact more than just South Dakota.

Nebraska

New Property Tax Ideas Taking Shape In Legislature

BY GRANT SCHULTE
Associated Press



Ricketts

LINCOLN, Neb. — Nebraska lawmakers are floating new ideas to reduce property taxes in this year's session, but competing interests are already vying for a piece of the state budget. The Legislature will have to balance property taxes with priorities such as state prisons, aging county bridges and K-12 education funding. Lawmakers should begin to see what's doable as they craft a new two-year state budget, said Sen. Mike Gloor, the new chairman of the Revenue Committee. "The devil is in the details," said Gloor, of Grand Island. Nebraska Gov. Pete Ricketts said property tax reduction is his top priority for this year's session. The state has no direct control over the levies, which are set by counties, school boards and other local governments, but it can indirectly influence the taxes in a variety of ways. Lawmakers have poured millions in state money into Nebraska's property tax credit fund, which offsets some of what owners pay on their annual bill. Last year they increased the fund to \$140 million, for a yearly tax credit of \$74.11 on a property valued at \$100,000. Sen. Al Davis of Hyannis said he will unveil a plan Tuesday that would lower the percentage of agricultural land that school districts can tax, while providing additional state money for schools regardless of whether they qualify for so-called equalization aid. A growing number of rural districts no longer qualify for equalization aid because their tax base includes large amounts of valuable farmland. Davis said producers in his rural dis-

trict have struggled with soaring property taxes as commodity prices declined. He said a friend in Brown County called him recently, complaining that he grossed \$40,000 last year and paid \$21,000 in property taxes. "We hear all the time that we have to be competitive with other states if we're going to succeed," Davis said. "I don't think Nebraska farmers and ranchers can be competitive if their property taxes remain so high." Senators will also look this year at reducing unfunded state mandates to local governments as a way to lower the taxes. Sen. John Murante of Gretna said reducing the burdens on counties, school districts and other local governments could have a noticeable impact on property tax bills, but it would require local governments to cooperate and use the savings to lower taxes. Murante leads the Government, Military and Veterans Affairs Committee, which reviewed the issue last year. Murante said property taxes will also factor into an expected debate this year over the Omaha area's Learning Community, a government organization with 11 urban and suburban school districts that share a common tax levy. The arrangement was designed to help the high-poverty Omaha Public Schools, a district with a weak tax base. In November, the district's board endorsed a proposal to eliminate the shared levy while increasing state aid for schools with a lot of poor and immigrant students. The current levy, 95 cents per \$100 of property value, would

then go back to local districts to use as they see fit, Murante said. "We can't have a discussion about property tax relief without having one about the Learning Community," Murante said. Sen. Paul Schumacher of Columbus said it's unlikely the state or local governments will dramatically cut spending, but he proposed two measures last week that could offset what property owners pay. One would impose a 7 percent sales tax on the "excessive sales price" of agricultural land and put the revenue into a state tax credit for agricultural landowners. Buyers would pay the tax on the difference between the amount they spent for the land and its "actual value," which only rises with inflation. As a result, anyone who buys agricultural land in a soaring market would pay more. Schumacher said the bill would also discourage speculators who drive up farmland prices in good years, leading to higher property taxes. "You take some of the pressure off by taking from the person who is running the price up astronomically, and put that toward property tax relief," he said. The second proposal would boost the state's property tax credit fund with revenue from sales of inherited property. Under current law, people who immediately sell property after inheriting it pay little to nothing, because the taxes are based on its value when they received it. Schumacher's measure would base the tax on the property's value at the time the previous owner bought it. The tax would only apply if the heirs sell the property.

South Dakota

With Every Statewide Office, GOP Plans To Stay The Course

BY JAMES NORD
Associated Press

PIERRE — With the GOP's hold on every statewide office and supermajorities in both legislative chambers for the first time in more than 50 years, it seems like a good time to be among the roughly 240,000 registered Republicans in South Dakota. Observers from both parties admit that Democrats have a long way to climb if they want to reclaim any significant influence in the state, but South Dakota's senior U.S. senator counsels Republicans not to be overconfident and to continue passing policies in the same vein as those that put them in power. Gov. Dennis Daugaard, who was sworn in along with state legislators Saturday, advised Republicans to "act with courage and to do things that may be risky politically" because South Dakota residents respect politicians who vote in keeping with their values. New

U.S. Senator Mike Rounds, who took the oath of office Jan. 6 and was present in Pierre this weekend, said it's now time for Republicans in Congress to prove they can govern at the federal level. Breaking down the statistics — and the GOP electoral wave of 2014 — shows a dismal situation for the state's crumbling Democratic bloc. Indeed, Minnehaha County Commissioner Jeff Barth, a veteran political observer who unsuccessfully ran in December to chair the state's Democratic party, called his team's shape a "basic tale of woe." South Dakota Democratic Party Chairwoman Ann Tornberg said her party needs to focus on three areas: fundraising, field work and recruiting young people. She said getting party units active at the county level will be critical. One key test will be whether the party can secure a candidate to run against U.S. Sen. John Thune in 2016, which it was unable to do in 2010. Tornberg said

the party "(hopes) that the right person will step forward." Barth said he anticipates the party will be able to pick up a handful of legislative seats in the 2016 election because it's a presidential year. And under her leadership, Tornberg said, Democrats will redouble existing efforts to campaign more aggressively. "The things that we've done in the past did not work in this election, and I don't think they're going to," Barth said. "The party is so, so feeble that now we fight harder than ever with each other as opposed to fighting to win together." Democrats are forming outside efforts to complement the state party. A group called South Dakota Progress could work to recruit local candidates, while former U.S. Senate candidate Rick Weiland has hinted in fundraising pitches that he's working on a team to push for ballot initiatives. Republicans control all 13 statewide offices, from U.S.

Senate to state auditor. Daugaard won re-election with a 45.1 percent margin, the largest in a governor's race in the South Dakota history. As of December 2014, registered Republicans in South Dakota outnumbered the state's roughly 176,000 Democrats by nearly 65,000. The total number of registered voters at that time was 521,433. "Sometimes you catch the wind, and sometimes the wind is in your face," Thune said, remembering his 524-vote defeat in 2002 and the tough race that brought him to the Senate in 2004. "It feels good to be part of a movement." He said if Republican candidates listen to their constituents and, at least at the federal level, remember their roots, the eye-popping margins could be sustained. But Thune cautioned Republicans to remember 2004, when the state's three-member congressional delegation went all Democrats. The shift since then, he said, is "a pretty remarkable transformation."

Agenda

From Page 1

Mike Rounds and his wife, Jean. Daugaard served as lieutenant governor for the eight years Rounds, a Republican, was governor. They previously served together as state senators. Rounds endorsed Daugaard for the Republican nomination for governor in the 2010 primary election, and Daugaard endorsed Rounds for the Republican nomination for U.S. Senate in the 2014 primary election. Despite their political alliance, Daugaard immediately made many changes in spending and management policies when he began his first term in January 2011. He entered office as the nation was struggling out of the worst recession since the Great Depression 80 years earlier. "We joined together, all of us, and applied a very simple principle: We can't spend money we don't have," Daugaard recalled Saturday. "But a simple principle doesn't always lead to an easy decision. I will never forget and I will always be thankful for the courage and leadership that the Legislature showed, and the sacri-

ces that so many bore, to bring out state back into balance. "We are a better state today because of it," he said. Daugaard, 61, took the oath from state Supreme Court Chief Justice David Gilbertson. First Lady Linda Daugaard held the Bible that her husband's Danish grandparents purchased after they had moved to the United States. Daugaard later said they couldn't find that Bible for his inauguration four years ago. After the governor, a lineup of other statewide officials took their oaths from the chief justice. They were Lt. Gov. Matt Michels, Secretary of State Shantel Krebs, Attorney Gen-

eral Marty Jackley, Auditor Steve Barnett, Treasurer Rich Sattgast, School and Public Lands Commissioner Ryan Brunner and state Public Utilities Commission member Gary Hanson. Legislators had taken their oaths one hour before, with the 35-member Senate going first, followed by the 70-member House of Representatives. Rep. Brian Gosch, R-Rapid City, called House members to order. He was the House speaker the past two years and now is the leader of the House Republicans' majority. "Welcome everybody," Gosch called out, "Welcome to the start of the ninetieth legislative session." The session officially opens Tuesday at noon, with Daugaard scheduled to make

his State of the State address at 1 p.m. CST. It will run 39 working days and conclude March 30. Daugaard in his speech Saturday said voters showed their support for the decisions made the past four years. "We have proven that South Dakota values still

work. We have shown the rest of the nation that there is a better way. And others are taking notice," he said. Daugaard concluded his remarks by calling for South Dakotans to "recommit ourselves to the stewardship of this state" and "confront the challenges ahead with com-

mon sense, courage and resolution. "To do just that," he said, "is my pledge to you today. Thank you so much for the opportunity to serve you again."

To Our Readers

The *Press and Dakotan* is updating the Community Calendar, which runs on the Monday and Thursday Life Pages. **ALL EVENTS** that are currently listed in the Community Calendar will be deleted as of Monday, January 13. If you wish to have your event listed after Monday, January 13, you must send an updated listing that includes: Name of your group, day of meeting, time of meeting, location of meeting and contact phone number. Updated listings should be emailed to news@yankton.net or mailed to: Press and Dakotan, C/O Jordynne Hart, 319 Walnut Street, Yankton SD 57078. Questions may be directed to Shauna or Jordynne at 605-665-7811.

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