

# State of South Dakota

NINETIETH SESSION  
LEGISLATIVE ASSEMBLY, 2015

991W0037

HOUSE BILL NO. \_\_\_\_\_

Introduced by: \_\_\_\_\_

1 FOR AN ACT ENTITLED, An Act to prohibit an officer or employee of the state from having  
2 an interest in a contract.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 3-16-7 be amended to read as follows:

5 3-16-7. No ~~public state officer or employee who is authorized to sell or lease any property;~~  
6 ~~or make any contract in the officer's official capacity may become voluntarily interested~~  
7 ~~individually in any sale, lease, or contract, directly or indirectly with such entity~~ may have an  
8 interest in a contract with the State of South Dakota, including all agencies and subdivisions,  
9 that is within the scope of the officer's or employee's official duties. Any contract made in  
10 violation of this section is void. This prohibition includes any state officer or employee who,  
11 in his or her official capacity, recommends the approval or award of the contract or who  
12 supervises a person who approves, awards, or administers the contract. This prohibition on an  
13 officer's or employee's interest in any sale or lease of property, or any contract ends one year  
14 after the state officer or employee terminates his or her office or employment with the state. A  
15 knowing violation of this section by a state officer or employee is a Class 2 misdemeanor unless  
16 the act is exempted by law.



1 Section 2. That chapter 3-16 be amended by adding thereto a NEW SECTION to read as  
2 follows:

3 It is malfeasance in public office or state employment for any public officer or state  
4 employee to take advantage of his or her position in state government to act in the officer's or  
5 employee's self-interest rather than in the public interest of the state in any transaction whether  
6 or not the transaction involves the use of public funds, assets, or opportunities. Acting in an  
7 officer's or employee's self-interest is prohibited and any contract made in violation of this  
8 section is void. Anything of value that is provided to the officer or the employee under a  
9 contract of self-interest shall be forfeited to the state. This prohibition on a contract of self-  
10 interest ends one year after the officer or employee terminates his or her office or employment  
11 with the state.