

State of South Dakota

EIGHTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2012

229T0499

HOUSE JOINT RESOLUTION NO. 1001

Introduced by: Representatives Lust, Abdallah, Feinstein, Gosch, Hunt, and Rausch and
Senators Cutler, Gray, and Tieszen

1 A JOINT RESOLUTION, Proposing and submitting to the electors at the next general election
2 an amendment to Article XVII of the Constitution of the State of South Dakota, relating to
3 corporations.

4 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF SOUTH
5 DAKOTA, THE SENATE CONCURRING THEREIN:

6 Section 1. That at the next general election held in the state, the following amendment to
7 Article XVII, section 1 of the Constitution of the State of South Dakota, as set forth in section
8 2 of this Joint Resolution, which is hereby agreed to, shall be submitted to the electors of the
9 state for approval.

10 Section 2. That Article XVII, section 1 of the Constitution of the State of South Dakota, be
11 amended to read as follows:

12 § 1. No corporation shall be created or have its charter extended, changed or amended by
13 special laws, except those for charitable, educational, penal or reformatory purposes, which are
14 to be and remain under the patronage and control of the state; but the Legislature shall provide,
15 by general laws, for the organization of all corporations hereafter to be created. The Legislature



1 shall have the authority and responsibility to enact laws governing the operation and dissolution
2 of corporations.

3 Section 3. That at the next general election held in the state, the following amendment to
4 Article XVII, section 5 of the Constitution of the State of South Dakota, as set forth in section
5 4 of this Joint Resolution, which is hereby agreed to, shall be submitted to the electors of the
6 state for approval.

7 Section 4. That Article XVII, section 5 of the Constitution of the State of South Dakota, be
8 amended to read as follows:

9 § 5. In all elections for directors or managers of a corporation, each member or shareholder
10 may cast ~~the whole number of his votes for one candidate, or distribute them upon two or more~~
11 ~~candidates, as he may prefer~~ votes in the manner provided in the corporate articles and bylaws.

12 Section 5. That at the next general election held in the state, the following amendment to
13 Article XVII, section 8 of the Constitution of the State of South Dakota, as set forth in section
14 6 of this Joint Resolution, which is hereby agreed to, shall be submitted to the electors of the
15 state for approval.

16 Section 6. That Article XVII, section 8 of the Constitution of the State of South Dakota, be
17 amended to read as follows:

18 § 8. No corporation shall issue stocks or bonds except for money, labor done, ~~or~~ money or
19 property actually received, or for the reasonable value of other contribution to the corporation;
20 and all fictitious increase of stock or indebtedness shall be void. The stock and indebtedness of
21 corporations shall not be increased except in ~~pursuance of general law, nor without the consent~~
22 ~~of the persons holding the larger amount in value of the stock first obtained, at a meeting to be~~
23 ~~held after sixty days notice given in pursuance of law~~ the manner as provided in the corporate
24 articles and bylaws.