

AN ACT

ENTITLED, An Act to revise certain provisions of the building South Dakota fund programs.

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

Section 1. That § 1-16G-48 be amended to read:

1-16G-48. The commissioner of the Bureau of Finance and Management shall authorize and disburse money from the building South Dakota fund for the following purposes:

- (1) Twenty-five percent of the fund shall be transferred to the local infrastructure improvement grant fund created in § 1-16G-50;
- (2) Fifteen percent of the fund shall be transferred to the economic development partnership fund created in § 1-16G-51;
- (3) Thirty percent of the fund shall be transferred to the workforce education fund created in § 13-13-88;
- (4) Twenty-five percent of the fund shall be transferred to the South Dakota housing opportunity fund created in § 11-13-2. Disbursement of funds to the South Dakota Housing Development Authority shall be made after South Dakota housing opportunity funds have been obligated by the oversight commission created pursuant to § 11-13-8;
- (5) Five percent of the fund shall be transferred to the revolving economic development and initiative fund created in § 1-16G-3 for the purpose of making grants to projects that have a total project cost of less than twenty million dollars.

The commissioner of the Bureau of Finance and Management, at the request of the commissioner of the Governor's Office of Economic Development and the approval of the special committee created in § 4-8A-2 or the Senate and House standing committees on appropriations meeting in joint session, shall transfer building South Dakota fund money among the local infrastructure improvement grant fund, the economic development partnership fund, and the revolving economic

development and initiative fund, provided the money is unobligated at the time of the request and subsequent transfer.

Section 2. That § 11-13-5 be amended to read:

11-13-5. The South Dakota housing opportunity fund may be used to provide a grant, loan, loan guarantee, loan subsidy and other financial assistance to an eligible applicant. Money from the fund may be used to build, buy, and or rehabilitate affordable housing for rent or home ownership, including single family and multifamily housing. The eligible fund activities include affordable housing projects that consist of new construction or the purchase of rental or home ownership housing, substantial or moderate rehabilitation of rental or home ownership housing, housing preservation, including home repair grants and grants to make homes more accessible to individuals with disabilities, homelessness prevention activities, as well as a community land trust. No more than ten percent of the funds awarded may be used for the administrative costs of the South Dakota Housing Development Authority or any entity that receives funding from the fund.

Section 3. That § 11-13-8 be amended to read:

11-13-8. Awards from the fund shall be made through a competitive process during an application cycle each year. Each application shall be evaluated and scored based on criteria created by the administering agency and the oversight commission. Each applicant that is awarded money from the fund is encouraged to leverage the money for any project or program with other public and private dollars. Any program income or loan payments received shall be deposited into the account held by the South Dakota Housing Authority.

Section 4. That chapter 1-16G be amended by adding a NEW SECTION to read:

Before the transfer of money to any fund under § 1-16G-48, the commissioner of the Bureau of Finance and Management shall authorize and disburse money from the building South Dakota fund for the following purposes:

- (1) An amount to pay for any contracts entered into by the Governor's Office of Economic Development with an implementing partner to provide technical assistance to an applicant or monitoring service for any building South Dakota fund program; and
- (2) An amount to pay the administrative expenses incurred by the Governor's Office of Economic Development for any building South Dakota fund program. The administrative expenses are limited to the salary and benefits of any personnel directly responsible for the administration of the programs.

Section 5. That § 1-16G-52 be amended to read:

1-16G-52. The Board of Economic Development may award funds from the economic development partnership fund for the following purposes:

- (1) To support new staff, or elevate existing part-time staff and equipment and training needs for the purpose of developing or expanding local, community, and economic development programs;
- (2) To support any recipient's plans to work with other entities for the purpose of developing or expanding local, community, and economic development programs; or
- (3) To award funds from the economic development partnership fund to commence or replenish a local revolving loan fund for the purpose of developing or expanding housing, community, and economic development programs. Areas of emphasis for funding include creating high quality employment opportunities, repopulation, stronger economies, housing development, business growth, support of entrepreneurship, and job creation, expansion, and retention. When awarding funds for a revolving loan fund, the board may give priority to an application that serves multiple communities. The board may give additional priority to an application that leverages state funds at greater than a one-to-one matching basis.

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I certify that the attached Act
originated in the

SENATE as Bill No. 45

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 45

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State