

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

400A0389

HOUSE BILL NO. 1037

Introduced by: The Committee on Commerce at the request of the Department of Labor

1 FOR AN ACT ENTITLED, An Act to establish certain provisions regarding the collections of
2 delinquent employer contributions to the unemployment insurance trust fund.

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

4 Section 1. That chapter 61-5 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 If a corporation required to pay contributions to the unemployment insurance division fails
7 for any reason to file the required returns or pay the appropriate contributions, any officer or
8 director of the corporation who has twenty percent or greater ownership interest of a
9 corporation and who has control of or supervision over the responsibility for filing contribution
10 reports or making payment of contributions is personally liable for the contributions, including
11 interest, penalties, and costs, if the corporation does not pay these amounts for which the
12 corporate employer is liable. The personal liability of any person as provided by this section shall
13 survive dissolution, reorganization, bankruptcy, receivership, or assignment for the benefit of
14 creditors.

15 If the unemployment insurance division makes a determination as to personal liability under

1 this section, that determination becomes final unless it is appealed pursuant to § 61-7-5. If there
2 is a final determination of personal liability, the amount due shall be collectible in the manner
3 provided in this title for the collection of past due contributions.