

# State of South Dakota

SEVENTY-FIFTH SESSION  
LEGISLATIVE ASSEMBLY, 2000

555D0497

## SENATE BILL NO. 52

Introduced by: Senators Lange and Brown (Arnold) and Representatives Slaughter and Sutton  
(Daniel)

1 FOR AN ACT ENTITLED, An Act to revise the composition of local industrial development  
2 corporations.

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

4 Section 1. That § 9-27-37 be amended to read as follows:

5 9-27-37. "Local industrial development corporation," as that term is used in § 9-27-36, is any  
6 enterprise incorporated under the laws of the State of South Dakota, formed for the purpose of  
7 furthering the economic development of a community and its environs, and with authority to  
8 promote and assist in the growth and development of small business concerns in the areas  
9 covered by its operation. ~~Such~~ The corporation shall be organized as a nonprofit enterprise, and  
10 shall be composed of no fewer than ~~twenty-five~~ ten members in municipalities of the first class  
11 and no fewer than ~~ten~~ five in municipalities of the second and third class. A local industrial  
12 development corporation shall be principally composed of and controlled by persons residing or  
13 doing business in the locality. Such persons shall ordinarily constitute ~~not less than~~ at least  
14 seventy-five percent of the voting control of the local development corporation. No member of  
15 the development corporation may own in excess of twenty-five percent of the voting control in  
16 the development corporation if that member or that member's affiliated interests have direct

1 pecuniary interest in a project involving an application under this section and § 9-27-36. The  
2 primary objective of the local industrial development corporation shall be to benefit the  
3 community as measured by increased employment, payroll, business volume, and corresponding  
4 factors.