

State of South Dakota

EIGHTIETH SESSION
LEGISLATIVE ASSEMBLY, 2005

564L0329

HOUSE BILL NO. 1074

Introduced by: Representatives Rounds, Brunner, Dennert, Elliott, Garnos, Hackl, Halverson, Hennies, and McCoy and Senators Lintz, Gray, and Sutton (Dan)

1 FOR AN ACT ENTITLED, An Act to revise certain provisions relating to the maximum term
2 of promissory notes issued to municipalities.

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

4 Section 1. That § 9-25-12 be amended to read as follows:

5 9-25-12. A municipality may borrow money from any source willing to lend the money by
6 issuing a promissory note subject to the limitations set forth in §§ 9-25-13 to 9-25-16, inclusive.
7 Notes issued pursuant to this section are payable solely from the sources provided in § 9-25-13
8 and do not constitute an indebtedness of the municipality within the meaning of any
9 constitutional or statutory provisions or limitations, any provisions in the notes set forth or set
10 forth in the resolution authorizing the notes to the contrary notwithstanding. The notes shall
11 recite the authority under which ~~they~~ the notes are issued and shall state that ~~they~~ the notes are
12 issued in conformity with the provisions, restrictions, and limitations of §§ 9-25-13 to 9-25-16,
13 inclusive, and that the notes and the interest thereon are payable from the sources therein
14 provided. The notes shall be authorized, issued, and sold in accordance with chapter 6-8B. No
15 election is required and the notes may not be issued for a term in excess of five years. However,



- 1 notes issued for loans authorized by the ~~Consolidated Farm and Rural Development Act of 1993~~
- 2 United States Department of Agriculture may be issued for a term of not more than ten years.