

2024 South Dakota Legislature | January 26, 2024

## State of the State Address

Governor Kristi Noem kicked off the 99<sup>th</sup> South Dakota Legislative Session with her sixth State of the State Address on Tuesday, January 9, 2024. The Governor strayed from customary State of the State remarks, where typical addresses centered around legislative priorities like strengthening the economy or job creation and focused her remarks on the Top Ten things that prove Freedom Works Here. They are:

- #10 Freedom to keep and bear arms;
- #9 Freedom to enjoy the outdoors;
- #8 Freedom to farm and ranch;
- #7 Freedom to be secure;
- #6 Freedom for a second chance;
- #5 Freedom to be respected;
- #4 Freedom to learn;
- #3 Freedom to be healthy;
- #2 Freedom for life;
- #1 Freedom to work

Embedded in her address were references to several initiatives we may see during this legislative session such as: ongoing recruitment of gun and ammunition businesses; ongoing access to public hunting opportunities for South Dakotans; repeal the expiration of reduction in gross receipts and use tax rates; securing agricultural land from foreign adversaries; advancing new prison facilities for both men and women; relationship building with the tribal communities and legislation clarifying antisemitism as an unfair or discriminatory practice; greater support of South Dakota's educators; greater EMS access to all South Dakotans rural or urban; care programs for moms and babies before birth; and after and career opportunities for all South Dakotan's.

After the third week or 12<sup>th</sup> day of this legislative session there have been 382 legislative bills filed, an increase of 152 from last week, largely due to unlimited bill introduction ending on January 25. Other important dates to note: January 29 is final day for bill drafts to

the Legislative Research Council and January 31<sup>st</sup> is the last day to introduce individual bills and resolutions.

Several more industry related bills hit our radar this week. Updates on bills we have been tracking and new measures we are currently tracking can be viewed below.

## Legislative News

**HB 1118:** An Act to revise unclaimed property provisions. This bill was recently introduced by Representative Tony Venhuizen (D-13 R) to require all operational expenses for unclaimed property to be paid from the general appropriations in the general appropriations act. The SDBA will continue to monitor.

**SB 38:** An Act to amend the amount a merchant or place of business may assess against returned checks. This bill was introduced by Senator Michael Rohl (D-1 R) that allows a merchant or place of business to post a notice stating that a fee will be assessed against returned checks. The change to this statute increases the fee from \$40 to \$60. This bill passed the Senate Commerce and Energy Committee with a 9-0 vote, and subsequently passed out of the Senate 29-0. The House Commerce and Energy Committee passed this measure out of committee on with a 12-1 vote and will be heard before the full House of Representatives at a future date.

**SB 58:** An Act to revise provisions regarding money transmission. This bill had its first reading in the Senate Commerce and Energy Committee and was introduced by the SD Department of Labor and Regulation, at the request of the Director of Banking. This is a repeal and replace bill to remove inefficiencies from the process of licensing and supervision of money transmitters. It implements a model law developed between the state and industry to achieve a higher degree of coordination

between states. Banks remain exempt under this model language. The SDBA will continue to monitor.

**SB 95:** An Act to exempt one motor vehicle of a debtor from being taken by the legal process. This bill recently introduced by Senator Liz Larson (D-10 D) provides an additional carve out for one motor vehicle, not to exceed five-thousand dollars would be exempt for each debtor. This bill has been assigned to the Senate Judiciary Committee and had its first reading. We are waiting for the Committee to calendar it for a hearing. The SDBA will oppose this measure.

**HB 1161:** An Act to regulate the acceptance of a central bank digital currency (CBDC). This bill was brought by the SDBA with Representative Mike Stevens (D-18 R) as its prime sponsor in the House and Senator David Wheeler (D-22 R) as prime sponsor in the Senate. This measure is intended to prohibit the state of South Dakota from accepting a central bank digital currency as a form of payment. The genesis of this bill stems from the debate regarding the adoption of the 2022 Amendments to the UCC during the 2023 legislative session. This bill has been assigned to the House State Affairs Committee and are currently waiting for the hearing to be scheduled. The SDBA will support this measure.

**HB 1163:** An Act to Amend the provisions of the Uniform Commercial Code (UCC). This measure was initiated by the SD Retailers and the SD Chamber, along with support from a number of South Dakota business lobbies including the SDBA. This bill is to amend the provisions to update the UCC regarding digital assets. Representative Mike Stevens (D-18 R) is the House prime sponsor with Senator David Wheeler (D-22 R) as prime sponsor in the Senate. This bill has been assigned to the House State Affairs Committee and we are currently waiting for the hearing to be scheduled. The SDBA will support this measure.

This summary concludes week three of the 99<sup>th</sup> legislative session in Pierre.

To learn more and remain “engaged” about the 2024 legislative session, visit the LRC webpage at [sdlegislature.gov](https://sdlegislature.gov). The legislature provides live and archived audio of committee hearings plus Senate and

House floor debates. To access both the live audio feed and archived audio files, visit [sd.net](https://sd.net)

For specific “**Calls to Action**” and to effectively send an email to a specific Senator or Representative, go to <https://sdlegislature.gov/Legislators/Contacts/69> and click on a legislator’s email address. Legislators are inundated with emails, so to make sure your voice is heard, only contact legislators who represent your district and note you're one of their constituents. [Check here](#) to find your district number and the names of the legislators from your district.

We hope you can join us on Feb. 14 in Pierre for the 2024 SDBA State Legislative Day. Go to [sdba.com](https://sdba.com) and register today!

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