

2021 South Dakota Legislature | **February 1, 2021**

Week Three Legislative News

The pace of the Legislature picked up this week as we passed the deadline for *unlimited* bill introduction as members were busy preparing legislation ahead of the Feb 3 deadline for introduction of individual bills and joint resolutions. Approximately 350 bills have been introduced thus far, and it is anticipated that more will be dropped this week.

Updates on Previous Bills

SB 8: This bill was brought by the South Dakota Division of Banking as an act to revise various provisions related to banks and trusts. Karl Adam testified in support of this bill. SB 8 passed out of the Senate Commerce Committee 9-0 and passed out of its house of origin 34-0. House Commerce will host the hearing on Feb. 1. Karl Adam will once again testify in support.

SB 9: This bill brought by the South Dakota Division of Banking will consolidate three chapters of South Dakota law dealing with bank trust departments and trust companies into two chapters and in the process will remove redundancy and reduce confusion. Karl Adam testified in support of this cleanup bill. SB 9 passed out of Senate Commerce and passed by the Senate 34-0. The House Commerce Committee will host the hearing on Feb 1. Karl Adam will testify again in support.

SB 35: This bill was introduced by the South Dakota Department of Revenue and would authorize an appropriation from the general fund to the Department of Revenue and the Department of Health for the purpose of implementing the constitutional provisions contained in Amendment A and the same with Initiated Measure 26. No formal action has taken place on this bill, and no hearing has been scheduled.

SB 71: This bill was introduced by Sen. Jim Bolin (R-Canton) and would designate June 19 as Juneteenth Day and as a *working holiday* recognizing this day in 1865 that the Civil War was over and that slavery in the

United States had been abolished and that slaves were free persons. South Dakota State Chamber Executive David Owens and the SDBA's Karl Adam testified as proponents for this bill before Senate State Affairs on Jan. 27. The bill passed out of the Senate State Affairs Committee with a do pass vote of 7-2.

SB 89: Introduced by Sen. Reynold Nesiba (D-Sioux Falls), this bill would designate June 19 as Juneteenth Day as a *state holiday* in South Dakota. It was introduced on Jan. 21 and is scheduled for a hearing before Senate State Affairs on Feb. 5.

SB 117: This bill would provide for the refinancing of certain mortgages on properties affected by declared disasters. The bill was introduced on Jan. 27 and has been assigned to the committee on Local Government.

HB 1002 is intended to revise certain provisions regarding fingerprint-based background checks for the Real Estate Commission and the Appraiser Certification Program. This bill was brought by the Department of Labor and goes in concert with HB 1015. This bill passed the House 69-0. Senate Commerce had its first reading of the bill on Jan. 22.

HB 1015: This will was introduced by the Department of Labor and is intended to provide rule-making authority for establishing an appraiser experience training program and the setting of fees. In anticipation of this proposed bill, the SDBA Board of Directors voted to support this legislation during its Dec. 3, 2020, board meeting. Karl Adam testified as a proponent before the House Commerce and Energy Committee on Jan. 25, and it received a do pass vote of 13-0 and subsequently passed the House with a do pass vote of 61-9. The bill is scheduled to be read in Senate Commerce soon.

HB 1045: This bill was introduced by Rep. Tina Mulally (R-Rapid City) and would revise certain tenant and landlord rights. The SDBA was opposed to this bill in its

original form as it did not contemplate prior perfected security interests. SDBA Legal Counsel Brett Koenecke offered an amendment that requires any property that is subject to a prior perfected security interest shall be turned over to the holder of the interest and may not be retained or disposed of by the landlord. This bill was heard before House Local Government and was deferred to the 41st day.

HB 1046: This bill is brought by Rep. David Anderson (R-Hudson) on behalf of many industry representatives and is to limit liability for certain exposures to COVID-19. The SDBA was involved in the crafting of this legislation and was approved by the SDBA Board of Directors during its Dec. 3, 2020, board meeting to support this legislation. With more than 40 different industry representatives in favor of this measure, to limit proponent testimony SDBA Legal Counsel Brett Koenecke was one of four industry representatives that testified as a proponent of this measure. HB 1046 passed the House State Affairs Committee 12-1 as amended. The House passed this bill 60-10, and it will be heard before Senate Judiciary on Feb. 4.

HB 1049: This bill was introduced by Rep. David Anderson (R-Hudson) and is an act to create a used vehicle dealer education program and revise provisions regarding used vehicle licensure requirements. The SDBA is watching this bill to ensure that “banks remained exempt” from this licensure requirements. The committee voted to defer this bill to the 41st day.

New Bills Being Tracked

HB 1091: This bill provides provisions for virtual currency in this state and was introduced by Rep. Tom Pischke (R-Dell Rapids). The SDBA and the South Dakota Division of Banking was not made aware that this bill would be introduced by the sponsor. Similar bills have been introduced this year in North Dakota and Nebraska. The SDBA has discussed this bill with the SDBA Board of Directors and at this time plans on opposing it. No committee or hearing has been assigned.

HB 1165: This bill would create trust fund for unclaimed property and to provide for the transfer of certain unobligated cash balances. This bill was introduced by Rep. Taffy Howard (R-Rapid City). The SDBA will monitor the bill.

HB 1095, HB 1100 and HB 1101: These bill would establish criteria regarding marijuana. They were all introduced by Speaker of the House Spencer Gosch (R-Glenham) and appear to be placeholders for future language on this subject.

This concludes week three report of bills that are being tracked by SDBA staff at the South Dakota Legislature. Should you have questions, please do not hesitate to contact me—SDBA President Karlton Adam.

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