

2021 South Dakota Legislature | **March 2, 2021**

Week Seven Legislative News

A second call-to-action email was sent last Friday, Feb. 26, to SDBA bank CEOs and SDBA Board members to contact their Senate members and urge their support of HB 1203, a bill to authorize expanded banking services for banks to engage in business with marijuana licensees and associated persons. HB 1203 passed Senate Commerce 8-1 on Feb. 25 and was debated on the Senate floor yesterday. Sen. Michael Diedrich (R-Rapid City), the bill's prime sponsor, introduced the bill to the Senate and urged support. HB 1203 passed the Senate with a 33-2 affirmative vote. Again, thank you for your engagement with your citizen legislators on issues important to the banking industry. As you can see, it makes a difference!

Updates on Previous Bills

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 Initiated Measure 26. This bill sat idle for the first five weeks of session; however, it passed out of the Committee on Appropriations on Feb. 25 with a 15-1 vote.

SB 71: This bill was introduced by Sen. Jim Bolin (R-Canton) and would designate June 19 as Juneteenth 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. On Feb. 2, it passed 26-8 from the Senate and passed out of House State Affairs with a vote of 13-0 on March 1.

HB 1203: A bill to authorize expanded banking services. The context of this bill was approved by the SDBA Board on Jan. 29. Legal counsel Brett Koenecke and President Karl Adam conferred with the SDBA Board to allow the SDBA to initiate a bill to assist banks in expanding services for cannabis banking. It was evident that there was no substantive legal framework legislation introduced. The SDBA Board agreed that we must continue to advocate for our industry in a "stand-alone" bill that allows legal protections under state law for banks. HB 1203 is sponsored by Rep. Hugh Bartels (R-Watertown) with Sen. Michael Diedrich (R-Rapid City) lead sponsor in the Senate. SDBA's Karl Adam testified in favor of this legislation and it passed out of the Senate Commerce Committee 8-1. This bill was debated on the Senate floor yesterday and received an overwhelming affirmative vote of 33-2.

HB 1165: This bill would create a 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 bill passed out of the Appropriations Committee on Feb. 23 and was tabled on the House floor on Feb. 25.

HB 1100: This bill introduced by Speaker of the House Spencer Gosch (R-Glenham) is a bill to modify the medical marijuana program and to create an interim committee to recommend implementation of the medical marijuana program. This bill passed committee 10-3 and the House 40-28. It is scheduled in the Senate Health and Human Services Committee on March 3.

This concludes week seven 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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