

2021 South Dakota Legislature | **March 8, 2021**

Week Eight Legislative News

HB 1203, a bill to authorize expanded banking services for banks to engage in business with marijuana licensees and associated persons passed Senate Commerce 8-1 on Feb. 25 and was debated on the Senate floor on March 1. Sen. Michael Diedrich (R-Rapid City), the bill's prime sponsor in the Senate, introduced the bill to the Senate and urged support. HB 1203 passed the Senate 33-2. 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 and Initiated Measure 26. It passed Appropriations 15-1 and the Senate 31-4.

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 committee 7-2 and the full Senate 26-8 on Feb. 1. The bill passed the House State Affairs Committee with a vote of 13-0 on March 1. On March 2, floor debate ensued in the House where members attempted to amend the bill to make Juneteenth a state holiday. The measure failed 31-36.

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 on March 2 and received an overwhelming affirmative vote of 33-2. The House Speaker has signed the bill, and it is waiting for the Senate President to do the same before it heads to the Governor's Office for signature.

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. On March 3 the Senate Health and Human Services Committee passed it with Amendment 1100L, and it is being debated today, March 8, on the Senate floor.

This concludes week eight 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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