

State of South Dakota

EIGHTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2012

825T0553

HOUSE BILL NO. 1107

Introduced by: Representatives Hunhoff (Bernie), Brunner, Kloucek, Moser, Vanneman, and Verchio and Senators Johnston, Bradford, and Rampelberg

1 FOR AN ACT ENTITLED, An Act to revise certain provisions concerning the bonding
2 authority of the South Dakota Conservancy District.

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

4 Section 1. That § 46A-1-31 be amended to read as follows:

5 46A-1-31. In addition to the aggregate indebtedness authorized by the Legislature and Board
6 of Water and Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may issue
7 bonds in an amount not to exceed in aggregate eight million dollars at any time for the purpose
8 of financing or refinancing projects as defined in subdivision 46A-2-4(5) that are components
9 of the statewide water plan subject to the provisions of §§ 46A-1-49 to 46A-1-52, inclusive. In
10 addition to the aggregate indebtedness authorized by the Legislature and Board of Water and
11 Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may issue bonds in any
12 amount at any time for the purpose of purchasing or otherwise financing or providing for the
13 purchase or payment of loans made by the United States Department of Agriculture to any
14 person or public entity, whether or not the person or public entity or the project financed with
15 the loan are located in South Dakota or formed under or recognized by South Dakota law, as



1 community facilities loans or water and waste disposal loans. The purchasing, financing, or
2 payment activities are hereby determined to be components of the state water plan and are
3 authorized without regard to § 46A-2-20. The district may enter into financing agreements with
4 the persons or public entities to secure and provide for the payment of the bonds, without regard
5 to § 46A-2-20 or §§ 46A-1-63.1 to 46A-1-69, inclusive. The district may make payments or
6 deposits for the purchase or payment of the loans from funds obtained from the persons or
7 public entities, whether or not bonds have been issued. The purchase or payment of loans for
8 persons or public entities or projects located outside of the State of South Dakota is hereby
9 authorized and declared to be a public purpose if, at the discretion and in the determination of
10 the district, the purchase or payment is expected to result in economies of scale, fees, interest
11 savings, financing, or other benefits to the district, South Dakota persons, or public entities or
12 the State of South Dakota. The district, in the proceedings for the issuance of the bonds, shall
13 establish the manner in which the trustee shall manage and disperse any savings for the benefit
14 of the persons and public entities whose community facilities loans and water and waste
15 disposal loans have been purchased or prepaid by the district. In addition to the aggregate
16 indebtedness authorized by the Legislature and the Board of Water and Natural Resources
17 pursuant to §§ 46A-1-29 and 46A-1-30, the district may also issue bonds in any amount at any
18 time for the purpose of funding all or part of the revolving funds required for either the state
19 water pollution control revolving fund program or the state drinking water revolving fund
20 program or both under either the federal Clean Water Act, as amended to January 1, 2011, or
21 federal Safe Drinking Water Act, as amended to January 1, 2011, or both. The bonds issued for
22 these revolving fund programs shall be used to purchase or otherwise finance or provide for the
23 purchase or payment of bonds or other obligations, including the refinancing of obligations
24 previously issued or for projects previously completed. The purchasing, financing, or payment

1 activities are hereby determined to be components of the state water facilities plan and are
2 authorized without regard to § 46A-2-20. The district may enter into financing agreements with
3 the persons or public entities to secure and provide for the payment of the bonds, without regard
4 to § 46A-2-20 or §§ 46A-1-63.1 to 46A-1-69, inclusive. The district may pledge or assign to or
5 hold in trust for the benefit of the holder or holders of the bonds those moneys appropriated by
6 the Legislature for the purpose of funding state contributions to the state water pollution control
7 revolving fund program and the state drinking water revolving fund program. The moneys may
8 be held and invested pursuant to a trust agreement for the payment of the principal of, premium,
9 if any, and interest on, the bonds.