



2022 South Dakota Legislature

House Bill 1051

HOUSE STATE AFFAIRS ENGROSSED

Introduced by: The Committee on State Affairs at the request of the Governor's Office of Economic Development

1 **An Act to amend certain provisions relating to the small business credit initiative**
2 **fund.**

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

4 **Section 1. That § 1-53-15 be AMENDED:**

5 **1-53-15.** There is established within the state treasury a fund to be known as the
6 small business credit initiative fund for the purpose of making loans for economic
7 development as permitted by the ~~Small Business Jobs Act of 2010, 12 U.S.C. Chapter 54~~
8 (2021).

9 **Section 2. That § 1-53-16 be AMENDED:**

10 **1-53-16.** ~~The~~For the purposes of §§ 1-53-15 to 1-53-19, inclusive, the ~~Governor's~~
11 ~~Office Board~~ of Economic Development may accept, expend, or loan ~~for the purposes of~~
12 ~~§§ 1-53-15 to 1-53-19, inclusive,~~ any funds previously received or to be obtained from
13 federal sources and any funds to be obtained from gifts, contributions, or any other source
14 if such acceptance and expenditure is reported as required by § 4-7-7.2.

15 **Section 3. That § 1-53-17 be AMENDED:**

16 **1-53-17.** Any repayment of loans and interest thereon ~~shall~~ must be receipted into
17 the small business credit initiative fund and expended by the ~~Governor's Office Board~~ of
18 Economic Development for the following purposes:

- 19 (1) The payment of administrative costs as permitted pursuant to ~~U.S. Office of~~
20 ~~Management and Budget Circular A-87, Revised~~ 2 C.F.R Part 200 Subpart E, as
21 applicable, as in effect on January 1, ~~2012~~ 2022;
- 22 (2) The payment of taxes and liens and for the procuring of legal services and any other
23 services necessary to protect, recover, maintain, or liquidate the assets of the small
24 business credit initiative fund as permitted pursuant to ~~U.S. Office of Management~~

1 ~~and Budget Circular A-87, Revised 2 C.F.R Part 200 Subpart E~~, as applicable, as in
2 effect on January 1, ~~2012~~ 2022; and
3 (3) ~~The purpose of making~~ Making loans for economic development as permitted by ~~the~~
4 ~~Small Business Jobs Act of 2010~~, 12 U.S.C. Chapter 54 (2021).

5 **Section 4. That § 1-53-18 be AMENDED:**

6 **1-53-18.** ~~The Governor's Office~~ Board of Economic Development may take title by
7 foreclosure or transfer in lieu of foreclosure to any property given as security if the
8 acquisition is necessary to protect or collect any small business credit initiative loan and
9 may sell, transfer, or convey any such property to any responsible buyer.

10 **Section 5. That § 1-53-19 be AMENDED:**

11 **1-53-19.** ~~The meetings and deliberations of the Governor's Office~~ Board of
12 Economic Development concerning small business credit initiative loans are confidential
13 and are exempt from public disclosure. Any documentary material or data made or
14 received by the Board of Economic Development or the Governor's Office of Economic
15 Development for the purpose of acting upon an application for a small business credit
16 initiative loan or administering the loan, to the extent that such material or data consists
17 of trade secrets or commercial or financial information regarding the operation of such
18 business, are not considered public records, and are exempt from disclosure. Nothing in
19 this section prohibits the disclosure of confidential information to the extent necessary to
20 collect or recoup the loan or as may be required under applicable federal law.