

2022 South Dakota Legislature

Senate Bill 65**AMENDMENT 65F FOR THE SENATE COMMERCE AND
ENERGY ENGROSSED BILL**

1 **An Act to delineate uses for the South Dakota housing opportunity fund, to make an**
2 **appropriation therefor, and to declare an emergency.**

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

4 **Section 1. That § 11-13-2 be AMENDED:**

5 **11-13-2.** There is hereby created the South Dakota housing opportunity fund to
6 be administered by the South Dakota Housing Development Authority for the purpose of
7 preserving and expanding sustainable, affordable, and safe housing ~~that is targeted to low~~
8 ~~and moderate income families and individuals in South Dakota in this state.~~

9 The authority may accept and expend, for the purposes of this chapter, any ~~funds~~
10 moneys obtained from appropriations or any other source. Any moneys from the general
11 funds fund appropriated to the housing opportunity program ~~shall~~ must be transferred
12 into the housing opportunity fund.

13 Disbursement of ~~funds moneys~~ to the authority ~~shall~~ must be made after moneys
14 in the South Dakota housing opportunity funds fund have been obligated by the oversight
15 commission ~~created pursuant to § 11-13-8 defined in § 11-13-1, except that moneys~~
16 appropriated for housing infrastructure must be disbursed to the authority upon passage.

17 Interest earned on money in the fund ~~shall~~ must be deposited into the fund.

18 **Section 2. That § 11-13-5 be AMENDED:**

19 **11-13-5.** The South Dakota housing opportunity fund may be used to provide a
20 grant, loan, loan guarantee, loan subsidy, and other financial assistance to an eligible
21 applicant. ~~Money from the fund may be used to build, buy, and or rehabilitate affordable~~
22 ~~housing for rent or home ownership, including single family and multifamily housing. The~~
23 ~~eligible fund activities include for:~~

- 1 (1) Single family and multi-family affordable housing projects ~~that consist~~ consisting
 2 of new construction, or the purchase of rental or home ownership housing,
 3 substantial;
 4 (2) Substantial or moderate rehabilitation of rental or home ownership ~~housing,~~
 5 housing;
 6 (3) Housing preservation, including home repair grants ~~and grants;~~
 7 (4) Grants to make ~~homes~~ houses more accessible to individuals with disabilities,
 8 ~~homelessness;~~
 9 (5) Homelessness prevention activities, ~~as well as;~~
 10 (6) Providing financial assistance for a community land trust;
 11 (7) Homebuyer assistance; and
 12 (8) Housing infrastructure costs.

13 No more than ten percent of ~~the any~~ funds awarded may be used for ~~the~~
 14 administrative ~~costs of~~ expenses incurred by the South Dakota Housing Development
 15 Authority or any other entity ~~that receives funding~~ receiving monies from the fund.

16 **Section 3. That § 11-13-6 be AMENDED:**

17 **11-13-6.** Each year, money from the South Dakota housing opportunity fund ~~shall~~
 18 must be set aside as follows:

- 19 (1) Thirty percent ~~shall~~ must be designated for use in municipalities that have a
 20 population of fifty thousand or more; and
 21 (2) Seventy percent ~~shall~~ must be designated for ~~the other use in~~ areas of the state,
 22 other than those referenced in subdivision (1) of this section.

23 If the approved applications for any area ~~are total~~ less than the amount set aside,
 24 ~~the any~~ remaining amount may be made available for use by qualified ~~applications~~
 25 applicants from the other areas.

26 The geographic distribution guideline takes precedence over the income targeting
 27 guideline during the evaluation of the applications.

28 ~~The geographic distribution guideline is not applicable to moneys appropriated for~~
 29 housing infrastructure costs.

30 **Section 4. That § 11-13-7 be AMENDED:**

31 **11-13-7.** The South Dakota housing opportunity fund ~~shall be targeted to serve~~
 32 ~~low to moderate income households with~~

1 ~~a maximum income at or below one hundred fifteen percent of the area median~~
2 ~~income based on United States Department of Housing and Urban Development (HUD)~~
3 ~~criteria~~

4 must be utilized for the development of affordable housing. For purposes of this
5 section, the term, affordable housing, means:

6 (1) Single family homes having an original selling price that is at or below the first-
7 time homebuyer purchase price limit used by the South Dakota Housing
8 Development Authority, as of the date the home is sold; or

9 (2) Multifamily housing units having a monthly rental rate that is at or below the
10 calculated rent for this state's eighty percent of area median income, as used by
11 the South Dakota Housing Development Authority.

12 Housing development guidelines are not applicable to moneys loaned for housing
13 infrastructure costs.

14 **Section 5.** There is hereby transferred from the general fund the sum of \$150,000,000 to
15 the South Dakota housing opportunity fund created under § 11-13-2. The moneys must be
16 administered by the South Dakota Housing Development Authority. Other fund expenditure
17 authority, in the sum of \$150,000,000, is hereby appropriated for the purpose of providing
18 housing loans to entities eligible under § 11-13-4.

19 **Section 6.** The executive director of the South Dakota Housing Development Authority shall
20 approve vouchers and the state auditor shall draw warrants to pay expenditures authorized
21 by this Act.

22 **Section 7.** Any amount appropriated in this Act not lawfully expended or obligated shall
23 revert in accordance with the procedures prescribed in chapter 4-8.

24 **Section 8.** Whereas, this Act is necessary for the support of the state government and its
25 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in
26 full force and effect from and after its passage and approval.