



2025 South Dakota Legislature

Senate Bill 183

Introduced by: **Senator Peterson (Sue)**

1 **An Act to establish requirements that state agencies must follow when applying for**
2 **federal grants.**

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

4 **Section 1. That a NEW SECTION be added to chapter 4-8B:**

5 When any state agency, as defined in § 1-26-1, applies for or renews a federal
6 grant agreement, either as the recipient or the sub-recipient of the grant, the agency
7 shall, at least sixty days before submitting the grant application, provide to the Governor,
8 the Bureau of Finance and Management, and the Joint Committee on Appropriations or
9 the special committee created by chapter 4-8A, the following information:

10 (1) The state law authorizing the proposed grant;

11 (2) All costs and benefits associated with the proposed grant reported as either
12 quantified and monetized; quantified, but not monetized; or not quantified, and
13 including an evaluation of whether the benefits of the grant will exceed the costs
14 of the grant as follows:

15 (a) Any direct or indirect cost associated with the implementation of the grant
16 to the state, the grant recipient, and to a political subdivision, with
17 projections covering at least ten years after the expiration of the grant
18 period;

19 (b) Any direct or indirect benefit associated with the implementation of the
20 grant to the state, the grant recipient, and to a political subdivision, with
21 the projections covering at least ten years after the expiration of the grant
22 period; and

23 (c) Any sources of revenue affected by the proposed grant and the estimated
24 increase or decrease in revenues or expenditures of this state or a political
25 subdivision, which would result from the implementation of the proposed

1 grant, including the costs necessary to enforce any rules associated with
2 the grant;

3 (3) A written determination as to whether the policies, practices, or programs
4 implemented under the grant will continue after the grant period expires and, if
5 so, whether the policies, practices, or programs implemented under the grant are
6 anticipated to continue after the grant period expires, the state agency shall
7 identify the revenue source for any of the costs identified under subdivision (2);

8 (4) The impact on state and local policy, including any resulting transfer of
9 accountability or governing control from officials of the state or any political
10 subdivision to any entity inside or outside the state;

11 (5) The purpose and effect of the grant program and the program's interrelationship
12 with any other program or policy currently operating within the state;

13 (6) Any compliance mandates, both existing and new, and any policy directives
14 necessary to satisfy the terms of the grant; and

15 (7) Any laws that must be created, amended, or repealed, in order to comply with the
16 terms of the grant.

17 **Section 2. That a NEW SECTION be added to chapter 4-8B:**

18 Within thirty days following the receipt of a submission required under section 1 of
19 this Act, the Bureau of Finance and Management shall provide to the Governor a report
20 on the proposed grant. The report must include an assessment of the grant applicant's
21 compliance with the requirements in section 1 of this Act and an assessment of whether
22 the grant would impose any new limits or mandates on activities within the private sector.
23 The grant applicant shall provide to the bureau any further information necessary to
24 complete the report required in this section.

25 **Section 3. That a NEW SECTION be added to chapter 4-8B:**

26 A state agency may not submit a grant application to the federal government
27 unless the Governor provides written consent. If the Governor does not consent to a grant,
28 the Governor may allow the grant applicant to revise and resubmit the grant application
29 for the Governor's reconsideration.

30 **Section 4. That a NEW SECTION be added to chapter 4-8B:**

- 1 Any grant application reviewed, and any report required under sections 1 to 3,
2 inclusive, of this Act is open to the public. The Bureau of Finance and Management shall
3 maintain the applications and reports in a public database.