

2025 South Dakota Legislature

Senate Bill 157**AMENDMENT 157B
FOR THE INTRODUCED BILL**

1 **An Act to ~~require proof of workers' compensation insurance for contractors of public~~**
2 **~~improvements and to establish procedures for verifying workers'~~**
3 **~~compensation coverage and premium payments~~address labor trafficking in**
4 **South Dakota.**

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

6 **Section 1. That a NEW SECTION be added to chapter 5-18B:**

7 A contract for a public improvement, as defined in § 5-18A-1, between a contractor
8 and a purchasing agency, as defined in § 5-18A-1, must contain a provision requiring
9 verification that the contractor and all subcontractors on the project have obtained
10 workers' compensation insurance, ~~as provided in title 62.~~ Any public improvement that is
11 subsidized by a government entity, including through a grant or tax increment financing,
12 is subject to the requirements of this Act, regardless of whether the government entity
13 directly contracts for the public improvement.

14 **Section 2. That a NEW SECTION be added to chapter 5-18B:**

15 The Department of Labor and Regulation and the purchasing agency have authority
16 to investigate and monitor the status of workers' compensation insurance coverage and
17 payment of premiums by any contractor or subcontractor for a public improvement. The
18 contractor must provide, at the request of the department or purchasing agency:

- 19 (1) A list of all subcontractors involved with the public improvement;
20 (2) Payroll records of employees of the contractor and any subcontractors involved
21 with the public improvement; and
22 (3) Any other information necessary to ensure compliance with the requirements of
23 this Act or to prevent the occurrence of workers' compensation fraud in connection
24 with the public improvement.