

## 2025 South Dakota Legislature

**House Bill 1206****AMENDMENT 1206B  
FOR THE INTRODUCED BILL**

1 **An Act to revise provisions on interim transfers and appropriations.**

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

3 **Section 1. That § 4-8A-1 be AMENDED:**

4 **4-8A-1.** Terms as used in this chapter, unless the context otherwise requires,  
5 mean:

6 (1) "Agency," a principal functional and administrative entity, including each  
7 department of state government and bureau, as designated in the general  
8 appropriation bill;

9 (2) "Budget unit," a unit of government contained within an agency, including each  
10 institution, for which separate appropriations in the general appropriation bill are  
11 made;

12 ~~(3) "Fund source," general fund, federal fund, or other fund expenditure authority~~  
13 ~~appropriated in the general appropriation bill;~~

14 ~~(4)~~(3) "General appropriation-act bill," the bill enacted by the Legislature in accordance  
15 with the provisions of S.D. Const., Art. XII, § 2, requiring a majority vote of all the  
16 members of each house of the Legislature;

17 ~~(2)~~~~(5)~~(4) "General contingency funds," appropriated funds for expenditures arising from  
18 or subject to unforeseen conditions of ~~a department's or institution's~~ an agency's  
19 operations for which a general fund appropriation has not been provided and which  
20 are deemed by the Governor and the special committee to be in the interest of the  
21 state and its agencies ~~or institutions;~~ and

22 ~~(3) "Maintenance and repair," expenditures authorized for contractual services for~~  
23 ~~repairs, alterations and additions to physical plant and expenditures for supplies~~  
24 ~~and materials purchased by a state institution or agency to be used in the repair,~~  
25 ~~alteration or additions to physical plant, where the same are to be repaired or~~  
26 ~~altered by the use of institution or agency employees, and expenditures for~~

1 replacement of equipment, the primary use of which is for repair and alteration of  
2 physical plant;

3 ~~(4)(6) "Program," major services rendered by a department an agency for a single~~  
4 ~~identifiable purpose as appropriated within a department an agency budget; and~~

5 ~~(5)(7) "Special committee," the committee created by § 4-8A-2.~~

6 **Section 2. That § 4-8A-3 be AMENDED:**

7 **4-8A-3.** The special committee shall serve to release ~~sums of money~~ moneys from  
8 any general contingency funds appropriated for contingent purposes by the general  
9 appropriation ~~act~~ bill or any special ~~act~~ appropriation. The special committee shall also  
10 serve to continually review, evaluate, and coordinate state fiscal and budgetary policy,  
11 including, but not limited to, the ~~adoption~~ creation of any new ~~programs~~ budget units by  
12 any department of state government agency, and shall also carry out any assignments  
13 made by the Executive Board of the Legislative Research Council.

14 The committee may hold public hearings to review the budget report submitted by  
15 the Governor and the long-term capital improvements budget as required in § 4-7-19.  
16 The committee may summon and examine witnesses.

17 **Section 3. That § 4-8A-5 be AMENDED:**

18 **4-8A-5.** The ~~appropriation amounts~~ appropriations authorized ~~as a result of~~ by the  
19 general appropriation ~~act~~ bill ~~must~~ be classified and coded for budgetary accounting  
20 purposes in accordance with the provisions of chapter 4-7.

21 **Section 4. That § 4-8A-6 be AMENDED:**

22 **4-8A-6.** All amounts appropriated by appropriations in the general appropriation  
23 ~~act~~ bill ~~may~~ be used only for the specific purposes therein provided and no other.  
24 The state auditor shall issue warrants on itemized and approved vouchers filed in his office,  
25 but no warrants ~~shall~~ may be issued to or on behalf of any person, ~~department, or~~  
26 ~~institution or agency~~, on any fund in excess of the appropriation specifically made in the  
27 general appropriation ~~act~~, bill, except as provided by the provisions of this chapter, a  
28 special ~~act of the Legislature making a specific appropriation~~ bill, an internal service fund  
29 created by the Legislature, or a ~~continuing~~ continuous appropriation ~~from state revenues~~  
30 created by the Legislature.

31 **Section 5. That § 4-8A-8 be AMENDED:**

**4-8A-8.** ~~Moneys appropriated on a program basis by the General Appropriation Act may be transferred between program accounts within or between programs within departments and bureaus or between departments and bureaus to reflect a reorganization pursuant to Article IV, section 8 of the South Dakota Constitution only at the written request of a governing body, department secretary, or bureau commissioner, or designee, in accordance with procedures established by the Bureau of Finance and Management and only upon written approval of the Bureau of Finance and Management. Transfer of moneys appropriated by the General Appropriations Act between departments, institutions, and bureaus that is not necessary for a reorganization pursuant to Article IV, section 8 of the South Dakota Constitution may only occur at the written request of a governing body, department secretary, or bureau commissioner, or designee, only in accordance with procedures established by the Bureau of Finance and Management and only upon approval by the special committee created in this chapter.~~ An agency may transfer appropriations made in the general appropriation bill, on a one-time basis, within each budget unit using the same fund source, in accordance with procedures established by the Bureau of Finance and Management and only upon written approval of the bureau. Transfer of appropriations between budget units or between fund sources must be approved by the special committee. Agencies may not transfer appropriations on a permanent basis except to make pool distributions as approved by the special committee or to reflect a reorganization pursuant to S.D. Const., Art. IV, § 8. Any transfer of appropriations made in the general appropriation bill may only occur upon approval by an agency head or designee, in accordance with procedures established by the Bureau of Finance and Management, and upon approval of the bureau. An agency may transfer appropriations within a budget unit, on a one-time or ongoing basis, or between budget units within an agency, on a one-time basis. An agency may transfer appropriations between agencies to reflect a reorganization pursuant to S.D. Const., Art. IV, § 8. Transfers of appropriations between budget units within an agency, on an ongoing basis, or between agencies, on a one-time or ongoing basis, must be approved by the special committee. Notwithstanding this section, transfers of appropriations between institutions under the control of the Board of Regents, on a one-time or ongoing basis, must be approved by the special committee.

The Bureau of Finance and Management shall keep a record of all ~~such~~ authorizations approvals of transfers and make them available for public inspection. ~~Immediately after the transfer of moneys authorized by this section is approved, the bureau shall transmit an authorization notice to the special legislative committee established in § 4-8A-2 and its designees. At least ten days prior to approving any transfer~~

~~authorized by this section, requiring approval by the special committee,~~ the bureau shall transmit a notice to transfer appropriations to the special committee and its designees. ~~For all other transfers between budget units, the bureau shall transmit a detailed explanation of the transfer to the special committee and its designees immediately after approving the transfer.~~

**Section 6. That § 4-8A-9 be AMENDED:**

**4-8A-9.** All requests by ~~state departments and institutions~~ an agency for moneys from any general contingency funds appropriated ~~by in~~ the general appropriation ~~act~~ bill or any special ~~act~~ appropriation must be submitted in writing to the Governor, the Bureau of Finance and Management, and the ~~chairman or chairmen~~ chair or chairs of the special committee, setting forth ~~clearly~~ the proposed usage and necessity for ~~such funds~~ the moneys. If the Governor deems ~~any such~~ the request to be in the public interest and of sufficient necessity, the Governor ~~shall~~ must submit a recommendation to the special committee, for its consideration ~~and disposition~~.

**Section 7. That § 4-8A-10 be AMENDED:**

**4-8A-10.** ~~Whenever it shall be deemed~~ the Governor deems it necessary for the special committee to consider, pass upon, and release general contingency funds for emergency purposes or as supplements to the budgets for the ordinary expenses of ~~state departments and institutions~~ agencies, the Governor shall give due and reasonable notice to the members of the special committee.

**Section 8. That § 4-8A-11 be AMENDED:**

**4-8A-11.** No action ~~shall~~ may be taken on release of moneys from any general contingency funds except by majority vote of the entire special committee membership. The special committee by majority vote of the entire membership may reduce or increase the dollar amount recommended by the Governor. ~~The~~ Upon the approval of the special committee, the Bureau of Finance and Management shall initiate the transfer of ~~such funds~~ the moneys to the proper ~~department~~ agency fund.

**Section 9. That § 4-8A-12 be AMENDED:**

**4-8A-12.** Notwithstanding the provisions of § 4-8A-8, the Executive Board of the Legislative Research Council may, by majority vote of the board, transfer ~~money~~ moneys

1 appropriated to a legislative department contingency ~~program line item budget unit~~ in the  
2 general ~~appropriations act~~ appropriation bill to ~~other program line items another budget~~  
3 unit within the legislative department upon written request of the ~~division heads~~ Director  
4 of the Legislative Research Council. The Legislative Research Council shall keep a record  
5 of ~~all such~~ the authorizations of transfers and make them available to the public.

6 **Section 10. That § 4-8A-16 be AMENDED:**

7 **4-8A-16.** The Bureau of Finance and Management and the Legislative Research  
8 Council shall prepare and submit, no later than July thirtieth of each year, independent  
9 projections that conform with the provisions of subdivisions 4-7-10(2) and (5) to the  
10 Governor or the Governor's designee and the ~~committee created by this chapter~~ special  
11 committee. Notwithstanding the provisions of subdivisions 4-7-10(2) and (5), the  
12 projections ~~shall~~ must contain information of the actual revenue for each of the two fiscal  
13 years last concluded and the estimated revenue of the current fiscal year.

14 If either of the estimates provided in this section project a budget shortfall in  
15 excess of two and one-half percent of the general fund appropriated budget in the current  
16 fiscal year, the Bureau of Finance and Management and the Legislative Research Council  
17 ~~shall~~ must propose measures to the Governor and the special committee ~~created in~~  
18 ~~chapter 4-8A~~ for eliminating the shortfall. If either of the estimates provided in this section  
19 project a budget shortfall in the current or next fiscal year of five percent or greater of the  
20 general fund appropriated budget, the Governor ~~shall~~ must propose measures to eliminate  
21 the shortfall consistent with S.D. Const., Art. ~~12~~ XII, § 7.

22 **Section 11. That § 4-8A-7 be REPEALED.**

23 ~~Any moneys appropriated in the general appropriation act to the Board of Regents,~~  
24 ~~or the executive branch for operations, maintenance, and repair, and contingency for~~  
25 ~~institutions and programs under their jurisdiction shall be allocated by the board or~~  
26 ~~department heads to the Bureau of Human Resources and Administration or to the~~  
27 ~~expenditure accounts of the institutions to which an allocation of funds is made. Such~~  
28 ~~transfer documents shall be approved by the Bureau of Finance and Management.~~