



2026 South Dakota Legislature

Senate Bill 73

Introduced by: The Chair of the Senate Committee on Appropriations at the request of the Bureau of Finance and Management

1 **An Act to revise provisions relating to state financial practices.**

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

3 **Section 1. That § 1-24A-1 be AMENDED:**

4 **1-24A-1.** ~~A~~Each agency shall file with or make available electronically to the state
5 ~~auditor a copy of all any consulting contracts contract entered into by a~~the state agency
6 ~~with a nongovernmental party shall be filed by the agency with the state auditor within~~
7 ~~five days after such the contract is entered into and finally approved and finalized by the~~
8 ~~contracting parties.~~

9 **Section 2. That § 1-24A-3 be AMENDED:**

10 **1-24A-3.** ~~The term For purposes of this chapter, "consulting contract," as used in~~
11 ~~§ 1-24A-1,~~ means a written contract or written agreement for consulting services to the
12 state paid out of contractual services accounts, as defined by the state accounting manual,
13 in effect as of January 1, 1980 specified by the commissioner of finance and management
14 pursuant to subdivision 4-7-1(6).

15 **Section 3. That § 1-27-13 be AMENDED:**

16 **1-27-13.** The head of each agency shall submit to the commissioner of human
17 resources and administration, in accordance with the procedures, rules, and standards,
18 ~~and procedures~~ established by the commission, schedules proposing the length of time
19 each state record series warrants retention for administrative, ~~legal, or fiscal, or legal~~
20 purposes, after it has been received by the agency. ~~However, original, provided that~~
21 original claims, invoices, and vouchers submitted to the state auditor for payment shall
22 must be retained for at least seven years.

1 **Section 4. That § 1-27-45 be AMENDED:**

2 **1-27-45.** The state shall maintain a searchable internet website for the posting
3 and ~~access of~~ accessing the public records and financial information of the state,
4 municipalities, counties, school districts, and other political subdivisions. The content and
5 operation of the website ~~shall~~ must be administered jointly by the Bureau of Human
6 Resources and Administration, Bureau of Finance and Management, and Bureau of
7 Information and Telecommunications.

8 **Section 5. That § 1-27-46 be AMENDED:**

9 **1-27-46.** The state shall display on the searchable internet website, created
10 pursuant to § 1-27-45, copies of each written contract ~~for:~~

11 (1) For supplies, services, or professional services of ten thousand dollars or more,
12 ~~each written contract filed;~~

13 (2) Filed with the state auditor pursuant to § 1-24A-1, and each written contract filed;
14 ~~and~~

15 (3) Filed with the attorney general pursuant to § 1-11-15.

16 Each contract ~~shall~~ must be displayed electronically ~~not less than~~ at least sixty days
17 after commencement of the contract term and for ~~not less than~~ at least the retention
18 period prescribed by § 1-27-4.1.

19 For purposes of this section, a written contract does not include any purchase order
20 issued against formal statewide contracts available for the use of all state agencies.

21 **Section 6. That § 3-9-1 be AMENDED:**

22 **3-9-1.** In lieu of actual transportation expenses ~~and except as provided in § 3-9-~~
23 ~~1.1, the State Board of Finance may fix the maximum mileage reimbursement rate for~~
24 ~~using a privately owned motor vehicle on state business. Except as otherwise provided in~~
25 ~~this section and § 3-9-1.1, the maximum mileage reimbursement rate for using a privately~~
26 ~~owned motor vehicle on state business~~ is fifty-one cents per mile or the standard mileage
27 rate for business authorized by the United States Internal Revenue Service as of October
28 first each year, whichever is greater. However, if no If there is not a state vehicle is
29 equipped for the transportation of ~~a person~~ an individual with special needs, the maximum
30 mileage reimbursement rate for using a privately owned motor vehicle is based on the
31 ~~type of vehicle.~~ is:

1 (1) If a privately owned passenger or cargo van, pickup truck, or sport utility vehicle
2 is used to transport an individual with special needs for state business, ~~the mileage~~
3 ~~reimbursement rate is~~ sixty-eight cents per mile or one-hundred-and-thirty
4 percent, rounded up to the nearest penny, of the standard mileage rate for
5 business authorized by the United States Internal Revenue Service as of October
6 first each year, whichever is greater; or
7 (2) If any other vehicle is used to transport an individual with special needs for state
8 business, ~~the mileage reimbursement rate is~~ fifty-one cents per mile or the
9 standard mileage rate for business authorized by the United States Internal
10 Revenue Service as of October first each year, whichever is greater. ~~For the~~ ~~purposes of this section, the term "individual with special needs" means a person~~
11 ~~with a disability that makes the person unable to operate an unmodified motor~~
12 ~~vehicle but allows the person to operate a personal motor vehicle modified to~~
13 ~~accommodate the disability.~~

15 The mileage reimbursement rate covers all expenses incidental to the operation of
16 a motor vehicle.

17 The Bureau of Finance and Management shall publish in writing the mileage
18 reimbursement rate to be effective as of October first each year. The state auditor shall
19 issue warrants for using a privately owned motor vehicle on state business at the rate
20 specified upon the sworn statement of the party using the vehicle.

21 For purposes of this section, "individual with special needs" means an individual
22 with a disability that makes the individual unable to operate an unmodified motor vehicle
23 but allows the individual to operate a personal motor vehicle modified to accommodate
24 the disability.

25 **Section 7. That § 3-9-1.1 be AMENDED:**

26 **3-9-1.1.** If an Office of Fleet and Travel Management or a Department of
27 Transportation pool motor vehicle is available within ten miles of a person's an individual's
28 place of residence or headquarters station, but the person individual uses a privately
29 owned vehicle instead for state business, the mileage reimbursement rate is forty-five
30 percent of the standard mileage rate for business authorized by the United States Internal
31 Revenue Service as of October first each year, rounded up to the nearest penny.

32 The Office of Fleet and Travel Management must approve mileage reimbursement
33 paid at the rate set pursuant to § 3-9-1 if there are Office of Fleet and Travel Management

1 or Department of Transportation pool motor vehicles available within ten miles of—a
2 ~~person's~~the individual's place of residence or headquarters station.

3 This section does not apply to elected officers, departmental secretaries, and chairs
4 of state boards and commissions.

5 **Section 8. That § 3-9-6 be AMENDED:**

6 **3-9-6.** The Governor may delegate to each responsible officer of any other agency,
7 ~~department, agency~~, or institution the authority to grant ~~written~~ consent for official travel
8 outside this state. The Governor may establish general guidelines for travel outside the
9 state ~~as the Governor deems appropriate~~. For each outside-the-state expenditure, there
10 must be a record signed or electronically authorized by the appropriate responsible officer
11 ~~authorizing the same~~. State agencies are permitted to follow federal regulations for
12 payment of travel and other allowances to state employees, dependents of state
13 employees, or to foreign nationals ~~where, if~~ the travel and other allowances are funded
14 entirely by federal or private grants in support of international programs.

15 **Section 9. That § 3-9-8 be AMENDED:**

16 **3-9-8.** ~~No warrant shall be issued by the~~ The state auditor may not issue a warrant
17 for the payment of any expense ~~or expenses~~ paid out by any department officer or
18 employee of the state; until ~~such~~ the department officer or employee ~~shall have~~ has
19 presented to the state auditor an itemized statement and account of ~~such~~ the expenses,
20 the authenticity of which must be duly verified under oath ~~as to the authenticity of such~~
21 ~~expenses. Such claims shall.~~ The claims must be filed in, or made available electronically
22 to, the Office of the State Auditor, together with receipt or ~~all~~ receipts from the person or
23 persons ~~the person~~ to whom ~~such~~ the payments ~~shall have been~~ were made; provided,
24 ~~however, that receipts shall be,~~ provided that a receipt is required only upon a rule passed
25 by the state auditor pursuant to chapter 1-26.

26 **Section 10. That § 4-9-2 be AMENDED:**

27 **4-9-2.** ~~All accounts and, claims against the state, which shall be, and vouchers~~
28 that are by law directed to be paid out of the state treasury ~~thereof, shall~~ must be
29 presented to, and examined and adjusted by, the state auditor, ~~who shall examine and~~
30 ~~adjust the same;~~ provided, ~~however,~~ that the Bureau of Finance and Management ~~shall~~
31 have has authority to establish promulgate rules and regulations, pursuant to chapter 1-

1 26, under which the State Board of Regents may provide for the processing of payrolls on
2 a localan institutional basis, and budgeted. Budgeted funds may be transferred on a
3 monthly basis for this purpose.

4 For purposes of this section, "claim" or "voucher" means an original request for
5 disbursement of state funds or an electronic copy of the request.

6 **Section 11. That § 4-9-4 be AMENDED:**

7 **4-9-4.** Wherever any law of this state requires a claim or account against the state,
8 or any political subdivisionthereofof the state, including municipalities and school
9 districts, to be verified or sworn to before an officer authorized to administer oaths, prior
10 to presentation or payment, itshall beais sufficient compliance withsuchthe law if the
11 claimant, or authorized officer or agentthereofof the claimant, in lieu of verification before
12 a notary publicshall sign a statement printed or written thereon in the form following,
13 signs or electronically acknowledges the following statement: "I declare and affirm under
14 the penalties of perjury that this claim has been examined by me, and to the best of my
15 knowledge and belief, is in all things true and correct."

16 Anypersonwhoshallsign individual who signs or electronically acknowledges a
17 claim or account bearingthestatementthe written or printed thereon as provided for in
18 statementpursuantto this section, knowing thesametobestatementis false or untrue,
19 in whole or in part,shallbeis guilty of perjury.

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

21 **4-9-8.** The state auditor shall issue warrantsthat:

- 22 (1) Are payable at the state treasurywhichshallbe;
- 23 (2) Are numbered consecutively and each shall specify;
- 24 (3) Specify the date of the issue, and;
- 25 (4) State the name of the person to whom the warrant is payable.

26 The number, date of issue, and thenameofthepersontowhompayable, payee
27 name of each warrant, shallmust be entered upon a record and shallbecarefully
28 preserved by the auditor in his office.

29 **Section 13. That § 4-10-4 be AMENDED:**

30 **4-10-4.** At the beginning of each month, the Bureau of Finance and Management
31 shallreconcile:

- 1 (1) Reconcile the state accounting system balances with the state treasurer's state
- 2 bank account records. The state treasurer will receive a copy of; and
- 3 (2) Provide the state treasurer electronic access to the reconciliation as soon as it is
- 4 completed.

5 Section 14. That § 4-10-6 be AMENDED:

6 **4-10-6.** The Bureau of Finance and Management shall provide to the state auditor
7 shall be provided, in a timely manner, with a copy of upon request, electronic access to
8 all budgetary accounting reports from the Bureau of Finance and Management that he that
9 the state auditor considers necessary to carry out the financial functions of his the
10 auditor's office. The state auditor shall review the budgetary accounting system and may
11 make recommendations for changes in the system to the Governor.

12 Section 15. That § 4-10-7 be AMENDED:

13 **4-10-7.** The state auditor shall also keep records maintain physical or electronic
14 access to:

15 (1) Records of all such public accounts and other documents as have been or may be
16 that are by law made returnable to his the auditor's office, and other; and
17 (2) Any other vouchers relative to the business of his the office.

18 Section 16. That § 4-10-8 be AMENDED:

19 **4-10-8. Warrants which have been microfilmed may be destroyed by the state**
20 **auditor in his discretion. Except as otherwise provided in this section, the state auditor has**
21 **discretion to destroy, without further approval or authorization from the records**
22 **destruction board, any:**

23 (1) Warrant that has been microfilmed, as soon as the microfilm copy ~~has been is~~
24 verified ~~to be an~~ as:
25 (a) An accurate and complete copy of the original, ~~clearly~~;
26 (b) Clearly legible with viewing instruments ~~and capable~~; and
27 (c) Capable of being enlarged to produce either a positive or negative copy of
28 the approximate size of the original. ~~He may also destroy all microfilm~~;
29 (2) Microfilm or electronic copies that are at least fifteen years old ~~which~~ and have
30 been audited by the auditor-general ~~without further approval or authorization from~~
31 ~~the records destruction board~~. Certified copies of such microfilmed records are

1 ~~official records of the state auditor for all purposes, and may be used as evidence~~
2 ~~in all courts and administrative agencies. Vouchers, and supporting receipts which~~
3 ~~have; and~~

4 (3) Voucher, together with any supporting receipts, that is at least seven years old and
5 ~~has been audited by the auditor-general may be destroyed by the state auditor~~
6 ~~after four years in his discretion without further approval or authorization from the~~
7 ~~records destruction board.~~

8 A certified copy of a microfilmed record is an official record of the state auditor for
9 any purpose and may be used as evidence in any administrative agency or court.

10 Nothing in this section affects the provisions of §§ 4-9-19 and 4-9-20.

11 **Section 17. That § 5-18D-4 be AMENDED:**

12 **5-18D-4.** ~~For any state contract, any~~ An electronic sealed bid or proposal ~~for a~~
13 ~~state contract~~ ~~may only be submitted~~ only through an electronic procurement system
14 authorized for use by the Bureau of Human Resources and Administration Finance and
15 Management.