



## 2026 South Dakota Legislature

# House Bill 1066

Introduced by: **Representative Fitzgerald**

1 **An Act to revise a provision related to theft by a contractor, subcontractor, or**  
 2 **supplier.**

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

4 **Section 1. That § 44-9-13 be AMENDED:**

5 **44-9-13.** Any contractor, subcontractor, or supplier on any improvement of real  
 6 estate, ~~mines, or public utilities~~ within the purview of this chapter who ~~knowingly uses~~  
 7 ~~more than five hundred dollars of the proceeds of any payment made to him on account~~  
 8 ~~of such improvement by the owner of such real estate or person having the improvement~~  
 9 ~~made, having received or been entrusted with the property of another for the purpose of~~  
 10 ~~improvement of real estate, and with the intent to defraud, appropriates that property for~~  
 11 ~~any other purpose other~~ than the payment for labor, skill, ~~or materials, and machinery~~  
 12 ~~contributed to such improvement while any account for such labor, skill, material, or~~  
 13 ~~machinery furnished for such improvement up to the time of such payment remains unpaid~~  
 14 ~~and due and owing under the credit terms arranged, for improvement of the real estate~~  
 15 ~~for which it was received, is guilty of theft of the proceeds of such payment. It is not a~~  
 16 ~~violation of this section to withhold funds from a contractor, subcontractor, or supplier~~  
 17 ~~pending the completion and final approval of his work or product. Any person guilty of~~  
 18 ~~theft pursuant to this section is subject to the penalties under § 22-30A-17.~~