



## 2026 South Dakota Legislature

# House Bill 1166

Introduced by: **Representative Muckey**

1 **An Act to require financial interest statements from members of certain state**  
 2 **authorities, boards, and commissions, and to provide a penalty therefor.**

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

4 **Section 1. That a NEW SECTION be added to chapter 3-23:**

5 Each member of an authority, board, or commission listed in § 3-23-10 shall file  
 6 an annual financial interest statement with the secretary of state on or before January  
 7 thirty-first of each year. The statement must disclose:

8 (1) Any source of moneys, business, or economic relationship that contributes more  
 9 than two thousand dollars to the gross income of the member's immediate family  
 10 in the preceding calendar year;

11 (2) Any enterprise in which the member, member's spouse, or person with whom the  
 12 member lives, controls more than ten percent of the capital or stock;

13 (3) Any position held as an officer, director, partner, or member of a governing board  
 14 of any corporation, firm, partnership, or other business enterprise or nonprofit  
 15 organization;

16 (4) Any contract or business relationship with the state or any political subdivision of  
 17 the state, or with any entity receiving grants, loans, tax rebates, or other financial  
 18 assistance from the state; and

19 (5) Any real property ownership interest generating an annual income exceeding ten  
 20 thousand dollars.

21 **Section 2. That a NEW SECTION be added to chapter 3-23:**

22 Any individual under consideration for appointment to an authority, board, or  
 23 commission listed in § 3-23-10 shall, as part of the application or nomination process,  
 24 disclose any information as described in section 1 of this Act. The disclosure must be

1 submitted to the Office of the Governor and the applicable authority, board, or commission  
2 before confirmation.

3 An individual who fails to disclose information as described in section 1 of this Act  
4 may be removed from the authority, board, or commission, by the Governor.

5 **Section 3. That a NEW SECTION be added to chapter 3-23:**

6 If a member has a financial interest, as described in section 1 of this Act, involving  
7 any item on the agenda of a meeting, a written disclosure of the financial interest must  
8 be included in the meeting materials posted publicly in accordance with chapter 1-25. The  
9 disclosure must identify the member, the nature of the conflict, and the agenda item from  
10 which the member is to be recused.

11 If a member's financial interest involving any item on the agenda of a meeting of  
12 an authority, board, or commission listed in § 3-23-10 is discovered during the meeting,  
13 the member must be recused for the item on the agenda for which the member has a  
14 financial interest.

15 **Section 4. That a NEW SECTION be added to chapter 3-23:**

16 A member who fails to file a required financial interest statement or amended  
17 statement by the prescribed deadline is suspended from voting on any matter before the  
18 authority, board, or commission until the required statement is filed. The secretary of  
19 state shall notify the chair of the applicable authority, board, or commission and the  
20 attorney general of any failure to file within seven days of the filing deadline.

21 **Section 5. That a NEW SECTION be added to chapter 3-23:**

22 A member who knowingly files a false or materially incomplete financial interest  
23 statement under section 1 of this Act is guilty of a Class 2 misdemeanor, and the member  
24 may be removed from the authority, board, or commission by the Governor.

25 **Section 6. That a NEW SECTION be added to chapter 3-23:**

26 The secretary of state shall transmit all financial interest statements filed under  
27 this chapter to the Government Operations and Audit Committee. The committee shall  
28 review compliance with the financial disclosure requirements of this Act on an annual  
29 basis. The secretary of state shall provide a report to the committee on or before October  
30 first of each year identifying:

- 1        (1) All members required to file statements under section 1 of this Act;
- 2        (2) All members who filed statements by the prescribed deadline;
- 3        (3) All members who failed to file statements by the prescribed deadline and the
- 4                duration of any voting suspension;
- 5        (4) Any referrals to the attorney general for potential violations; and
- 6        (5) Any recommendations for improving compliance with this Act.

7        **Section 7. That a NEW SECTION be added to chapter 3-23:**

8                On an annual basis, an authority, board, or commission listed in § 3-23-10 shall

9        receive a report from a contractor or internal counsel, regarding applicable state laws on

10        ethics and financial conflicts of interest.