



## 2026 South Dakota Legislature

# Senate Bill 192

Introduced by: **Senator Howard**

1 **An Act to modify the blight requirements for purposes of creating a tax increment**  
 2 **financing district.**

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

4 **Section 1. That § 11-9-8 be AMENDED:**

5 **11-9-8.** The resolution required by § 11-9-5 ~~shall~~ must contain the following  
 6 findings:

- 7 (1) Not less than ~~twenty-five~~ fifty percent, by area, of the real property within the  
 8 district is a blighted area ~~or~~ and not less than fifty percent, by area, of the real  
 9 property within the district will stimulate and develop the general economic welfare  
 10 and prosperity of the state through the promotion and advancement of industrial,  
 11 commercial, manufacturing, agricultural, or natural resources development; and  
 12 (2) The improvement of the area is likely to significantly enhance the value of  
 13 substantially all other real property in the district.

14 It is not necessary to identify the specific parcels meeting the criteria. No county  
 15 may create a district located, in whole or in part, within a municipality, unless the  
 16 governing body of the municipality has consented to creation of a district by resolution.

17 **Section 2. That § 11-9-10 be AMENDED:**

18 **11-9-10.** For the purposes of this chapter, ~~the term~~ "blighted area" means an area  
 19 that substantially impairs or arrests the sound growth of the political subdivision, inhibits  
 20 housing development, constitutes an economic or social liability, or is a danger in its  
 21 present condition and use to the health, safety, morals, or welfare of the public because  
 22 of:

- 23 (1) The presence of a substantial number of substandard, slum, deteriorated, or  
 24 deteriorating structures;  
 25 (2) A predominance of defective or inadequate street layouts;

- 1 (3) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- 2 (4) ~~Insanitary~~ Unsanitary or unsafe conditions;
- 3 (5) The deterioration of ~~site or other improvements~~ land or structures affixed to the
- 4 land;
- 5 (6) ~~A diversity of ownership, tax,~~ Tax or special assessment delinquency delinquencies
- 6 exceeding the fair value of the land;
- 7 (7) Defective or unusual conditions of title; or
- 8 (8) The existence of conditions ~~which~~ that endanger life or property by fire and other
- 9 causes; ~~or~~
- 10 ~~(9) A predominance of open space with obsolete platting, diversity of ownership, or~~
- 11 ~~deterioration of structures or site improvements.~~