



2026 South Dakota Legislature

Senate Bill 207

Introduced by: **Senator Voita**

1 **An Act to require a vote to approve the creation of certain tax increment financing**
 2 **districts.**

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

4 **Section 1. That § 11-9-5 be AMENDED:**

5 **11-9-5.** To ~~establish~~ create a district, the governing body must adopt a resolution
 6 that:

- 7 (1) Describes the boundaries of ~~a~~ the district with sufficient definiteness to identify
 8 with ordinary and reasonable certainty the territory included. The boundaries may
 9 not split a whole unit of property that is being used for a single purpose;
- 10 (2) ~~Creates the district on~~ Specifies a given date for the creation of a district;
- 11 (3) Includes a finding that the assessed value of the taxable property in the district
 12 plus the tax increment base of all other existing districts does not exceed ten
 13 percent of the total assessed value of all taxable property in the political
 14 subdivision; and
- 15 (4) Assigns a name to the district for identification purposes. The first district created
 16 in each political subdivision must be known as "Tax Increment Financing District
 17 Number One, City (or Town, or County) of _____." Each subsequently
 18 created district must be assigned the next consecutive number.

19 A resolution adopted under this section is subject to a referendum under the
 20 provisions of section 2 of this Act

21 **Section 2. That a NEW SECTION be added to chapter 11-9:**

22 If the estimated project costs of a proposed district are greater than fifteen million
 23 dollars, the governing body creating the district must call a special election to determine
 24 the question of the establishment of the district. Except as provided below, the election

1 must be held on a Tuesday between forty-five and sixty days from the date on which the
2 governing body adopted the resolution establishing the district.

3 If the resolution is adopted by the governing body within the ninety-day period
4 prior to the political subdivision's regular election or a primary or general election and with
5 sufficient time to comply with the subdivision's requirements for publishing notice of the
6 election, the question must be submitted to the voters at that election.

7 A special election under this section must be held upon the same notice and
8 conducted in the same manner as a regular election of the political subdivision.