

## 2026 South Dakota Legislature

**House Bill 1291****AMENDMENT 1291B  
FOR THE INTRODUCED BILL**

1 **An Act to amend the process for calculating permit a school district's general fund**  
2 **base percentage participation in the property and casualty captive insurance**  
3 **company fund.**

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

5 **Section 1. That § 5-14-39 be AMENDED:**

6 **5-14-39.** There is ~~hereby~~ established in the state treasury the property and  
7 casualty captive insurance company fund. ~~The Bureau of Human Resources and~~  
8 ~~Administration may enter into an agreement with a captive insurance company for the~~  
9 ~~management of the company's funds.~~ Money in this fund may be used to pay for property  
10 and casualty losses for ~~state-owned~~ state-owned property ~~or property leased or owned by~~  
11 a school district, as well as administrative and reinsurance costs for this fund.

12 Interest earned on money in the fund ~~shall~~ must be deposited into the fund.  
13 Unexpended money and any interest that may be credited to the fund ~~shall~~ must remain  
14 in the fund. Any money in the ~~property and casualty captive insurance company~~ fund is  
15 continuously appropriated. Any money deposited into and distributed from the fund ~~shall~~  
16 must be set forth in an informational budget, as described in § 4-7-7.2.

17 The Bureau of Human Resources and Administration may enter into an agreement  
18 with a captive insurance company for purposes of this section.

19 **Section 2. This Act is effective beginning July 1, 2027.**