



2026 South Dakota Legislature  
**Senate Bill 73**  
**ENROLLED**

AN ACT

**ENTITLED An Act to revise provisions relating to state financial practices.**

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

**Section 1. That § 1-24A-1 be AMENDED:**

**1-24A-1.** Each agency shall file with or make available electronically to the state auditor a copy of any consulting contract entered into by the state agency with a nongovernmental party within five days after the contract is approved and finalized by the contracting parties.

**Section 2. That § 1-24A-3 be AMENDED:**

**1-24A-3.** For purposes of this chapter, "consulting contract" means a written contract or written agreement for consulting services to the state paid out of contractual services accounts, as specified by the commissioner of finance and management pursuant to subdivision 4-7-1(6).

**Section 3. That § 1-27-13 be AMENDED:**

**1-27-13.** The head of each agency shall submit to the commissioner of human resources and administration, in accordance with the procedures, rules, and standards established by the commission, schedules proposing the length of time each state record series warrants retention for administrative, fiscal, or legal purposes, after it has been received by the agency, provided that original claims, invoices, and vouchers submitted to the state auditor for payment must be retained for at least seven years.

**Section 4. That § 1-27-45 be AMENDED:**

**1-27-45.** The state shall maintain a searchable internet website for posting and accessing the public records and financial information of the state. The content and

operation of the website must be administered jointly by the Bureau of Human Resources and Administration, Bureau of Finance and Management, and Bureau of Information and Telecommunications.

**Section 5. That § 1-27-46 be AMENDED:**

**1-27-46.** The state shall display on the searchable internet website, created pursuant to § 1-27-45, copies of each written contract:

- (1) For supplies, services, or professional services of ten thousand dollars or more;
- (2) Filed with the state auditor pursuant to § 1-24A-1; and
- (3) Filed with the attorney general pursuant to § 1-11-15.

Each contract must be displayed electronically within sixty days following commencement of the contract term and for at least the retention period prescribed by § 1-27-4.1.

For purposes of this section, a written contract does not include any purchase order issued against formal statewide contracts available for the use of all state agencies.

**Section 6. That § 3-9-1 be AMENDED:**

**3-9-1.** In lieu of actual transportation expenses, the State Board of Finance may fix the maximum mileage reimbursement rate for using a privately owned motor vehicle on state business. Except as otherwise provided in this section and § 3-9-1.1, the maximum mileage reimbursement rate is fifty-one cents per mile or the standard mileage rate for business authorized by the United States Internal Revenue Service as of October first each year, whichever is greater rounded up to the nearest penny. If there is not a state vehicle equipped for the transportation of an individual with special needs, the maximum mileage reimbursement rate is:

- (1) If a privately owned passenger or cargo van, pickup truck, or sport utility vehicle is used to transport an individual with special needs for state business, sixty-eight cents per mile or one-hundred-and-thirty percent, rounded up to the nearest penny, of the standard mileage rate for business authorized by the United States Internal Revenue Service as of October first each year, whichever is greater; or
- (2) If any other vehicle is used to transport an individual with special needs for state business, fifty-one cents per mile or the standard mileage rate for business authorized by the United States Internal Revenue Service as of October first each year, whichever is greater rounded up to the nearest penny.

The mileage reimbursement rate covers all expenses incidental to the operation of a motor vehicle.

The Bureau of Finance and Management shall publish in writing the mileage reimbursement rate to be effective as of October first each year. The state auditor shall issue warrants for using a privately owned motor vehicle on state business at the rate specified upon the sworn statement of the party using the vehicle.

For purposes of this section, "individual with special needs" means an individual with a disability that makes the individual unable to operate an unmodified motor vehicle but allows the individual to operate a personal motor vehicle modified to accommodate the disability.

**Section 7. That § 3-9-1.1 be AMENDED:**

**3-9-1.1.** If an Office of Fleet and Travel Management or a Department of Transportation pool motor vehicle is available within ten miles of an individual's place of residence or headquarters station, but the individual uses a privately owned vehicle instead for state business, the mileage reimbursement rate is forty-five percent of the standard mileage rate for business authorized by the United States Internal Revenue Service as of October first each year, rounded up to the nearest penny.

The Office of Fleet and Travel Management must approve mileage reimbursement paid at the rate set pursuant to § 3-9-1 if there are Office of Fleet and Travel Management or Department of Transportation pool motor vehicles available within ten miles of the individual's place of residence or headquarters station.

This section does not apply to elected officers, departmental secretaries, and chairs of state boards and commissions.

**Section 8. That § 3-9-6 be AMENDED:**

**3-9-6.** The Governor may delegate to each responsible officer of any other agency, department, or institution the authority to grant consent for official travel outside this state. The Governor may establish general guidelines for travel outside the state. For each outside-the-state expenditure, there must be a record signed with either an original handwritten signature or an electronic signature attached using a security procedure capable of verifying the act of the person signing the record by the appropriate responsible officer. State agencies are permitted to follow federal regulations for payment of travel and other allowances to state employees, dependents of state employees, or to foreign

nationals, if the travel and other allowances are funded entirely by federal or private grants in support of international programs.

**Section 9. That § 3-9-8 be AMENDED:**

**3-9-8.** The state auditor may not issue a warrant for the payment of any expense paid out by any department officer or employee of the state until the department officer or employee has presented to the state auditor an itemized invoice and account of the expenses, the authenticity of which must be duly verified under oath. The claims or vouchers must be filed in, or made available electronically to, the Office of the State Auditor, together with all receipts from the person to whom the payments were made, provided that a receipt is required only upon a rule passed by the state auditor pursuant to chapter 1-26.

**Section 10. That § 4-9-2 be AMENDED:**

**4-9-2.** All accounts, claims, and vouchers that are by law directed to be paid out of the state treasury must be presented to, and examined and adjusted by, the state auditor, provided that the Bureau of Finance and Management has authority to promulgate rules, pursuant to chapter 1-26, under which the State Board of Regents may provide for the processing of payrolls on an institutional basis. Budgeted funds may be transferred on a monthly basis for this purpose.

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

**4-9-4.** Wherever any law of this state requires a claim or account against the state or any political subdivision of the state to be verified or sworn to before an officer authorized to administer oaths, prior to presentation or payment, it is sufficient compliance with the law if the claimant, or authorized officer or agent of the claimant, in lieu of verification before a notary public, signs with either an original handwritten signature or an electronic signature attached using a security procedure capable of verifying the act of the person signing the record acknowledging the following statement: "I declare and affirm under the penalties of perjury that this claim has been examined by me, and to the best of my knowledge and belief, is in all things true and correct."

Any individual who signs with either an original handwritten signature or an electronic signature attached using a security procedure capable of verifying the act of the person signing the record acknowledging a claim or account bearing the written or printed

statement pursuant to this section, knowing the statement is false, in whole or in part, is guilty of perjury.

**Section 12. That § 4-9-8 be AMENDED:**

**4-9-8.** The state auditor shall issue warrants that:

- (1) Are payable at the state treasury;
- (2) Are numbered consecutively;
- (3) Specify the date of the issue; and
- (4) State the name of the person to whom the warrant is payable.

The number, date of issue, and payee name of each warrant must be entered upon a record and preserved by the auditor.

**Section 13. That § 4-10-4 be AMENDED:**

**4-10-4.** At the beginning of each month, the Bureau of Finance and Management shall:

- (1) Reconcile the state accounting system balances with the state treasurer's state bank account records; and
- (2) Provide the state treasurer electronic access to the reconciliation as soon as it is completed.

**Section 14. That § 4-10-6 be AMENDED:**

**4-10-6.** The Bureau of Finance and Management shall provide to the state auditor, in a timely manner upon request, electronic access to all budgetary accounting reports that the state auditor considers necessary to carry out the financial functions of the auditor's office. The state auditor shall review the budgetary accounting system and may make recommendations for changes in the system to the Governor.

**Section 15. That § 4-10-7 be AMENDED:**

**4-10-7.** The state auditor shall maintain physical or electronic access to:

- (1) Records of all public accounts and other documents that are by law made returnable to the auditor's office; and
- (2) Any other vouchers relative to the business of the office.

**Section 16. That § 4-10-8 be AMENDED:**

**4-10-8.** Except as otherwise provided in this section, the state auditor has discretion to destroy, without further approval or authorization from the records destruction board, any:

- (1) Warrant that has been microfilmed, as soon as the microfilm copy is verified as:
  - (a) An accurate and complete copy of the original;
  - (b) Clearly legible with viewing instruments; and
  - (c) Capable of being enlarged to produce either a positive or negative copy of the approximate size of the original;
- (2) Microfilm or electronic copies that are at least fifteen years old and have been audited by the auditor-general; and
- (3) Voucher, together with any supporting receipts, that is at least seven years old and has been audited by the auditor-general.

A certified copy of a microfilmed or electronic record is an official record of the state auditor for any purpose and may be used as evidence in any administrative agency or court.

Nothing in this section affects the provisions of §§ 4-9-19 and 4-9-20.

**Section 17. That § 5-18D-4 be AMENDED:**

**5-18D-4.** An electronic sealed bid or proposal for a state contract may be submitted only through an electronic procurement system authorized for use by the Bureau of Finance and Management.

An Act to revise provisions relating to state financial practices.

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I certify that the attached Act originated in the:

Received at this Executive Office this \_\_\_\_ day of \_\_\_\_\_,

Senate as Bill No. 73

2026 at \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of the Senate

By \_\_\_\_\_  
for the Governor

\_\_\_\_\_  
President of the Senate

The attached Act is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2026

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Governor

**STATE OF SOUTH DAKOTA,**

ss.

Office of the Secretary of State

\_\_\_\_\_  
Speaker of the House

Attest:

Filed \_\_\_\_\_, 2026  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Chief Clerk of the House

\_\_\_\_\_  
Secretary of State

Senate Bill No. 73  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

By \_\_\_\_\_  
Asst. Secretary of State