



2026 South Dakota Legislature
Senate Bill 231
ENROLLED

AN ACT

ENTITLED An Act to create the water infrastructure development fund, to provide an appropriation, to provide for the awarding of grants and loans from the fund for certain rural water projects and to declare an emergency.

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

Section 1. That a NEW SECTION be added to chapter 46A-1:

There is created the water infrastructure development fund. This fund consists of moneys from appropriations of the Legislature, federal grants for projects on the Bureau of Reclamation rural water projects list, interest on investments, and principal and interest on loans made from the fund. Expenditures from the fund are continuously appropriated and must be used for the construction, planning, and development of rural water projects in the state.

The Board of Water and Natural Resources may award a grant from the fund. A grant under this section may not exceed ten percent of the construction cost, as estimated by the board. The board may also provide a loan for a project, provided the loan does not exceed fifty percent of the construction cost, as estimated by the board.

The board, in rulemaking pursuant to chapter 1-26, shall establish criteria for the selection of water projects to receive loans or grants from the fund and for the terms, conditions, and administration of the loans and grants.

Section 2. The state treasurer shall transfer \$3,000,000 from the general fund to the water infrastructure development fund, created in section 1 of this Act.

Section 3. Whereas, this Act is necessary for the support of the state government and its existing public institutions, an emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

An Act to create the water infrastructure development fund, to provide an appropriation, to provide for the awarding of grants and loans from the fund for certain rural water projects and to declare an emergency.

I certify that the attached Act originated in the:

Received at this Executive Office this ____ day of _____,

Senate as Bill No. 231

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. 231
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State