

AN ACT

ENTITLED, An Act to revise certain provisions regarding permitted improvements on school and public lands.

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

Section 1. That § 5-5-29 be amended to read:

5-5-29. If any permitted improvement is located on any school or endowment land and the land has been offered for lease or sale and a person other than the owner of the improvement is the highest bidder, the bidder shall deposit with the county auditor a receipt showing payment of the amount due before the lease or sale is made. In addition, the highest bidder shall deposit with the county treasurer an amount equal to the appraised value of each improvement as determined by the board of appraisal or an amount agreed between the successful bidder and the owner of the improvement. The owner of the improvement may elect to remove the improvement.

Section 2. That § 5-5-30 be amended to read:

5-5-30. If the owner of the improvement described in § 5-5-29 elects not to remove the improvement and the owner does not agree with the successful bidder on the value of the improvement, the owner shall within five business days from the date on which the land is offered for lease or sale make application to the county auditor asking for the appraisal of the improvement by a board of appraisal. The county auditor shall appoint the board members pursuant to § 5-5-31. The owner shall make a deposit sufficient to cover the cost of appraisal as determined by the county auditor. The board members shall be paid by the county auditor from the amount deposited by the owner.

Section 3. That § 5-5-31 be amended to read:

5-5-31. Any improvement on any school or endowment land shall be appraised by a board of three disinterested freeholders who shall be residents of the county where the property is located. The

board of appraisal shall be constituted as follows: the owner of the improvement shall nominate a person to represent the owner, the new lessee or purchaser shall nominate a person to represent the lessee or purchaser, and the two nominees shall nominate a person to serve on the board. The county auditor shall appoint these three persons as a board.

The commissioner of school and public lands shall provide the board with an itemized list of each permitted improvement. Each improvement shall be appraised based on the original cost basis less any depreciation as determined by the board. The original cost of the improvement may include only the actual out-of-pocket expenses paid by the lessee for the improvement. The original cost may not include the amount of any grant, subsidy, or contribution toward the expense of the improvement from another source. The board shall file with the county auditor an itemized report of the appraisal, signed by at least two members of the board. The county auditor shall keep a record of the appraisal. The board shall be paid at the state rate established pursuant to chapter 3-9 for per diem and mileage necessarily traveled in making the appraisal.

The members of the board are immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred, within the scope of the board's duties or responsibilities. Nothing in this section may be construed to protect any person from suit or liability for any damage, loss, injury, or liability caused by the intentional, willful, or wanton misconduct of that person.

Section 4. That § 5-5-32 be amended to read:

5-5-32. If any permitted improvement is appraised pursuant to § 5-5-31, the owner of the improvement shall accept or reject the appraisal by written notice to the county auditor within five business days from the date of the appraisal or the appraisal is deemed rejected and a lease or

conveyance shall be made.

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I certify that the attached Act
originated in the

SENATE as Bill No. 39

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 39

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State