

State of South Dakota

NINETY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 2018

588Z0814

HOUSE ENGROSSED NO. **HB 1318** - 2/22/2018

Introduced by: The Committee on Appropriations

1 FOR AN ACT ENTITLED, An Act to authorize the South Dakota Health and Educational
2 Facilities Authority to transfer or grant excess reserves to any South Dakota governmental
3 entity.

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

5 Section 1. That § 1-16A-15 be amended to read:

6 1-16A-15. The authority ~~shall have~~ has the following powers together with all powers
7 incidental ~~thereto~~ or necessary for the performance thereof:

- 8 (1) To have perpetual succession as a body politic and corporate;
- 9 (2) To adopt bylaws for the regulation of its affairs and the conduct of its business;
- 10 (3) To sue and be sued and to prosecute and defend, at law or in equity, in any court
11 having jurisdiction of the subject matter and of the parties;
- 12 (4) To have and to use a corporate seal and to alter the same at pleasure;
- 13 (5) To maintain an office at such place or places as it may designate;
- 14 (6) To do all things necessary and convenient to carry out the purposes of this chapter;
- 15 (7) To establish a minimum amount of cash and investment reserves; and



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(8) To transfer or grant, or otherwise use, funds in excess of the minimum amount of reserves to any South Dakota governmental entity to further any purpose of the authority, including any purpose set forth in § 1-16A-1. This subdivision is repealed July 1, 2019.

Section 2. That chapter 1-16A be amended by adding a NEW SECTION to read:

Any determination of a minimum amount of cash and investment reserves and the existence of excess funds available for transfer, grant, or use pursuant to subdivision 1-16A-15(7), shall be evidenced by a resolution of the authority. In establishing the minimum amount of cash and investment reserves the authority shall include in the minimum amount of cash and investment reserves:

- (1) Any funds that the authority determines are necessary for any expected operating expenses of the authority; and
- (2) Any funds that are pledged to or otherwise reserved for payment of any amounts in respect of any issue of bonds or other obligations issued by the authority.

The authority may require further findings or procedures that the authority deems necessary or appropriate regarding the establishment of a minimum amount of cash and investment reserves.