

State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

400B0379

SENATE BILL NO. 21

Introduced by: The Committee on Judiciary at the request of the Office of the Attorney General

1 FOR AN ACT ENTITLED, An Act to authorize certain tobacco manufacturers to assign to the
2 state the interest of the manufacturer in any money in a qualified escrow fund.

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

4 Section 1. That chapter 10-50B be amended by adding a NEW SECTION to read:

5 Notwithstanding the provisions of § 10-50B-8, a manufacturer that elects to deposit money
6 into a qualified escrow fund pursuant to §10-50B-7 may assign to the state the interest of the
7 manufacturer in any money in the qualified escrow fund.

8 An assignment executed under this section is irrevocable and applies to any money and any
9 interest or other appreciation earned on any money for which the manufacturer executes the
10 assignment.

11 Section 2. That chapter 10-50B be amended by adding a NEW SECTION to read:

12 The parties to a qualified escrow agreement may amend the agreement for the purposes of
13 executing an assignment pursuant to section 1 of this Act.

14 An assignment executed pursuant to section 1 of this Act shall be in writing and signed by
15 the assignee and the assignor or by an authorized agent or representative of the assignor. An



1 assignment in writing that is duly executed becomes enforceable after a copy of the assignment
2 is delivered to the attorney general and the financial institution where the qualified escrow fund
3 is maintained.

4 Section 3. That chapter 10-50B be amended by adding a NEW SECTION to read:

5 Nothing in this Act relieves a manufacturer from any obligation or duty imposed pursuant
6 to this chapter or chapter 10-50.