

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

400A0654

HOUSE ENGROSSED NO. **HB1165** - 2/7/97

Introduced by: Representatives Jorgensen and Richter and Senators Munson (David), Dunn (Jim), and Flowers

1 FOR AN ACT ENTITLED, An Act to provide for the powers and authority of the Board of
2 Economic Development to make loans and administer certain provisions regarding economic
3 development.

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

5 Section 1. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as
6 follows:

7 The Board of Economic Development, in order to implement this chapter, may:

- 8 (1) Make contracts and execute all instruments;
- 9 (2) Establish interest rates within the bounds as otherwise statutorily provided;
- 10 (3) Collect fees and charges, as are determined to be necessary, reasonable, and proper
11 in connection with its loans, advances, leases, grants, servicing, and other activities;
- 12 (4) Provide for the repayment and redeposit of loan and lease payments;
- 13 (5) Sue and be sued;
- 14 (6) Foreclose any mortgages, deed of trust, notes, debentures, bonds, and other security
15 interest held by it, either by action or by exercise of a power of sale, and sell the

1 equity redemption in the security interests in accordance with the terms of instruments
2 and applicable state law, and take any other actions necessary to enforce any
3 obligations held by it; and

4 (7) Perform any act and execute any instrument which is necessary or convenient to the
5 exercise of the powers granted by this chapter or reasonably implied from it.

6 Section 2. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as
7 follows:

8 The Board of Economic Development may take title by foreclosure to any property given
9 as security if the acquisition is necessary to protect any loan made under this chapter, and may
10 sell, transfer, or convey any such property to any responsible buyer. Any sale of property
11 hereunder shall be performed in a commercially reasonable manner. If the sale, transfer, or
12 conveyance cannot be effected with reasonable promptness, the board may, in order to prevent
13 financial loss and sustain employment, lease the property to a responsible tenant or tenants.

14 All sale proceeds or lease payments received by the board pursuant to this section shall be
15 deposited in the fund from which the original loan was made.

1 **BILL HISTORY**

2 1/29/97 First read in House and referred to Commerce. H.J. 198

3 2/4/97 Scheduled for Committee hearing on this date.

4 2/4/97 Commerce Do Pass, AYES 13, NAYS 0. H.J. 288

5 2/4/97 Commerce Place on Consent Calendar. H.J. 288

6 2/6/97 House of Representatives Do Pass Amended, AYES 60, NAYS 9. H.J. 346