

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

813X0268

HOUSE BILL NO. 1089

Introduced by: Representatives Schoenfish and Soli and Senators Peters and Heinert

1 FOR AN ACT ENTITLED, An Act to revise provisions for accumulation of funds for certain
2 municipal enterprises.

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

4 Section 1. That § 9-47-1 be amended to read:

5 9-47-1. Every municipality may construct, establish, operate, and maintain a system of
6 waterworks and facilities in connection therewith; may regulate the distribution and use of water
7 supplied thereby; may acquire a suitable supply of water, whether within or without the
8 municipality; may maintain dams, reservoirs, intakes, spillways, conduits, or other devices to
9 gather and store surface, flood, or other waters within or without the municipality either as a
10 direct source of water to the municipality or as a supply of water from which any other source
11 of the water supply of the municipality may be replenished or restored; may advantageously
12 dispose of, to districts, subdivisions, and areas, outside the limits of the municipality to which
13 supply lines may extend, any municipal supply of water, including stored water, not required
14 or used for municipal purposes and any surplus water may be disposed of to any outside district
15 where the water is delivered into a natural watercourse for irrigation purposes; may assess, levy,



1 and collect taxes and special assessments for such purposes; and may appropriate funds and levy
 2 taxes to accumulate funds for such purposes, as provided by this title. The accumulated funds
 3 shall be placed in a separate fund which may not revert at the end of the fiscal year. ~~The amount~~
 4 ~~of the fund may never exceed an amount equivalent to ten dollars per thousand dollars of~~
 5 ~~taxable valuation of all property within the municipality. The governing body shall establish a~~
 6 ~~maximum amount allowed to be accumulated in the fund.~~ The fund shall be established by a
 7 resolution adopted pursuant to chapter 9-19. Every municipality may enter into agreements with
 8 the United States, with the ~~State of South Dakota~~ state, and with any authorized agency,
 9 subdivision, or unit of government, federal or state, to carry out such purposes.

10 Section 2. That § 9-21-14.1 be amended to read:

11 9-21-14.1. The governing body of a municipality may by resolution authorize the
 12 accumulation of funds for a period longer than one year for specific capital outlay purposes
 13 otherwise authorized by law. For the purpose of this section, "capital outlay purposes" means
 14 purposes which result in the acquisition of or additions to plant, or equipment, including ~~but not~~
 15 ~~limited to~~ expenditures for land, existing facilities, improvement of grounds, construction of
 16 facilities, additions to facilities, remodeling of facilities, or for the purchase of equipment.

17 ~~—The maximum capital outlay accumulations shall be as follows:~~

18 ~~—(1) In first-class municipalities, the amount of the accumulation for all purposes may~~
 19 ~~never exceed an amount equivalent to four dollars per thousand dollars of assessed~~
 20 ~~value of all property within the municipality;~~

21 ~~—(2) In second-class municipalities, the amount of the accumulation for all purposes may~~
 22 ~~never exceed an amount equivalent to ten dollars per thousand dollars of assessed~~
 23 ~~value of all property within the municipality or one hundred twenty-five thousand~~
 24 ~~dollars, whichever is greater;~~

1 ~~(3) In third-class municipalities, the amount of the accumulation may never exceed one~~
2 ~~hundred twenty-five thousand dollars. The governing body shall establish a~~
3 ~~maximum amount allowed to be accumulated in the fund.~~

4 Section 3. That § 9-48-2 be amended to read:

5 9-48-2. Each municipality may:

- 6 (1) Establish, construct, and maintain main, trunk, sanitary, storm, and service sewers,
7 and septic or sewage treatment plants, drains, and manholes either within its
8 corporate limits or within ten miles of its corporate limits;
- 9 (2) Appropriate funds and levy taxes to accumulate funds for the purposes identified in
10 this section;
- 11 (3) Establish sewer districts as provided by this title;
- 12 (4) Acquire any sewer, drain, or system of sewerage and drainage already established and
13 constructed; and
- 14 (5) Acquire land within or without the municipality for a septic or sewage treatment
15 plant or outlet to any main sewer and may assess the cost of the land and the cost of
16 any necessary extension or connection of the main sewer to all the property within
17 the sewer district benefited as provided by this title.

18 The proceeds of any taxes levied for the accumulation of funds under this section shall be
19 placed in a separate fund which may not revert at the end of the fiscal year. ~~The amount of the~~
20 ~~fund may never exceed an amount equivalent to ten dollars per thousand dollars of taxable~~
21 ~~valuation of all property within the municipality. The governing body shall establish a~~
22 ~~maximum amount allowed to be accumulated in the fund.~~ The fund shall be established by a
23 resolution adopted pursuant to chapter 9-19.