

State of South Dakota

SEVENTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 1999

716C0615

HOUSE BILL NO. 1152

Introduced by: Representatives Cutler, Hunt, Konold, and Waltman and Senator Paisley

1 FOR AN ACT ENTITLED, An Act to establish a school construction fund, to provide for loans
2 from the fund, to increase the state portion of video lottery machine income, and to dedicate
3 the additional revenue to the school construction fund.

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

5 Section 1. There is created in the state treasury the South Dakota school construction fund.
6 The fund shall be used to make loans to school districts to finance school construction and
7 school renovation projects. No interest may be charged on the loans. No loan may be for a
8 period of time more than twenty years. No loan may be for an amount over ten million dollars.
9 All money in the fund is hereby appropriated for the purposes of making such loans.

10 Section 2. The South Dakota Board of Education shall administer the fund created by
11 section 1 of this Act. The board shall promulgate rules pursuant to chapter 1-26 necessary to
12 make the loans for projects as authorized by section 1 of this Act and to establish criteria for the
13 qualification, application, payment, and repayment of the loans.

14 Section 3. That § 42-7A-63 be amended to read as follows:

15 42-7A-63. The commission shall maximize revenues to the state from video lottery. The
16 state's percentage of net machine income shall be ~~fifty~~ fifty-five percent until June 30, 2000, sixty
17 percent from July 1, 2000 to June 30, 2001, inclusive, sixty-five percent from July 1, 2001 to

1 June 30, 2002, inclusive, and seventy percent on July 1, 2002 and thereafter. The state's
2 percentage of net machine income shall be directly deposited to the property tax reduction fund,
3 except for one-half of one percent of net machine income authorized for deposit into the video
4 lottery operating fund. ~~The effective date of this section is July 1, 1996.~~ However, each fiscal
5 year, if the total amount of net machine income deposited in the property tax reduction fund
6 exceeds the amount deposited in the property tax reduction fund for fiscal year 1999, the
7 commissioner of the Bureau of Finance and Management shall transfer the excess amount from
8 the previous fiscal year, by September first of each year, to the South Dakota school construction
9 fund created by section 1 of this Act.