

## 2022 South Dakota Legislature

**Senate Bill 204****AMENDMENT 204B FOR THE INTRODUCED BILL**

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.**

1 **An Act to establish ~~a process for the abandonment of~~ terms of easements for certain**  
2 **pipelines.**

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

4 **Section 1. That chapter 49-41B be amended with a NEW SECTION:**

5 For purposes of this Act, the term, pipeline, includes a completed pipeline, a  
6 pipeline under construction, or a segment of a pipeline, designed for or capable of  
7 transporting liquid hydrocarbons, liquid hydrocarbon products, or carbon dioxide, that is  
8 not excluded by subdivision 49-41B-21(2).

9 **Section 2. That chapter 49-41B be amended with a NEW SECTION:**

10 Any real property owner may grant a pipeline easement in the same manner and  
11 with the same effect as a conveyance of an interest in real property. The easement must  
12 be in writing, and the easement or a memorandum thereof must be filed, duly recorded,  
13 and indexed in the office of the register of deeds of the county in which the easement is  
14 granted. Any such easement runs with the land or lands benefited and burdened and  
15 terminates upon the conditions stated in the easement, except that the term of any such  
16 easement may not exceed fifty years.

17 Any payments associated with the granting or continuance of any such easement  
18 must be made on an annual basis to the owner of record of the real property at the time  
19 the payment is made. If the easement holder mortgages or otherwise encumbers to any  
20 party any part of the easement holder's rights and interests under the easement, the  
21 mortgage or encumbrance on the easement is the responsibility of the easement holder  
22 and attaches only to the easement holder's rights and does not otherwise attach to the  
23 land or obligate the property owner. Each pipeline easement agreement must include a

1 statement disclosing that the easement holder may mortgage or encumber any part of  
2 the easement holder's rights and interests under the agreement unless otherwise specified  
3 in the agreement.

4 **Section 3. That chapter 49-41B be amended with a NEW SECTION:**

5 A pipeline easement is void if the associated pipeline has not:

6 (1) Been constructed on the burdened real property within ten years after the effective  
7 date of the easement; or

8 (2) Transported liquid hydrocarbons, liquid hydrocarbon products, or carbon dioxide,  
9 for a period of ten consecutive years.

10 The owner or holder of the real property subject to the pipeline easement may  
11 initiate an action in circuit court in the county in which the easement is located to quiet  
12 title.