2020 South Dakota Legislature

Senate Bill 192

ENROLLED

AN ACT

ENTITLED An Act to create the small business economic disaster relief subfund, to provide for the transfer of certain funds into the subfund, to authorize the Economic Development Finance Authority to make a grant to the subfund, to provide for the continuous appropriation of the subfund, and to declare an emergency.

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

Section 1. That a NEW SECTION be added:

1-16G-85. Definitions.

Terms used in §§ 1-16G-85 through 1-16G-89 mean:

(1) "Commissioner," the Commissioner of the Governor's Office of Economic Development;

(2) "Disaster relief subfund," the small business economic disaster relief subfund created in § 1-16G-86;

(3) "COVID-19 state of emergency," the COVID-19 outbreak emergency declared by the Governor as provided in § 34-48A-5, including any extension thereof; and

(4) "Small business," a business enterprise with no more than two hundred fifty full-time equivalent employees.

Section 2. That a NEW SECTION be added:

1-16G-86. Disaster relief subfund--Creation--Continuous appropriation.

There is created within the revolving economic development and initiative fund created by § 1-16G-3 the small business economic disaster relief subfund. Unexpended money and any interest that may be credited to the subfund shall remain in subfund. Any money in the subfund is continuously appropriated to the Governor's Office of Economic Development. The commissioner may accept grants and gifts to the subfund.

Section 3. That a NEW SECTION be added:

1-16G-87. Disaster relief subfund--Loans.

The commissioner may make loans from the disaster relief subfund to small businesses adversely affected by the COVID-19 state of emergency. The commissioner shall approve loans from the disaster relief subfund upon terms established by the commissioner. Loan proceeds may be used for business purposes as approved by the commissioner. A loan from the disaster relief subfund under this section must meet each of the following criteria:

(1) The loan may not exceed seventy-five thousand dollars;

(2) The interest rate on the loan must not be at a rate greater than zero percent; and

(3) The loan may not include any fee for processing, administering, or servicing of the loan, except in the case of a default by the borrower.

Section 4. That a NEW SECTION be added:

1-16G-88. Disaster relief subfund--Reporting.

The commissioner shall provide a report at each regular meeting of the Board of Economic Development containing the name of each disaster relief subfund borrower, the amount of the loan, and the maturity date of the loan. The report shall be a public document and shall be posted on the Governor's Office of Economic Development website.

Section 5. That a NEW SECTION be added:

1-16G-89. Disaster relief subfund loans--Confidentiality.

The meetings and deliberations of the commissioner and the Governor's Office of Economic Development concerning loans from the disaster relief subfund are confidential and exempt from public disclosure, chapter 1-25, and chapter 1-27. Any documentary material or data made or received by the commissioner or the Governor's Office of Economic Development for the purpose of acting upon an application for a loan from the disaster relief subfund or administering the loan, to the extent that such material or data consists of trade secrets or commercial or financial information regarding the operation of such business, are not considered public records, and are exempt from disclosure. Nothing in this section prohibits the disclosure of confidential information to the extent necessary to collect or recoup the loan or the disclosure of confidential information to the Board of Economic Development.

Section 6. The state treasurer shall transfer the sum of seven million dollars to the disaster relief subfund from the small business credit initiative fund created in § 1-53-15.

Section 7. The state treasurer shall transfer the sum of one million dollars to the disaster relief subfund from the value-added agriculture subfund created in § 1-53-34.

Section 8. The state treasurer shall transfer the sum of one million dollars to the disaster relief subfund from the Governor's Office of Economic Development special revenue fund created in § 1-53-7.

Section 9. The Economic Development Finance Authority may make a grant or gift of up to two million dollars to the disaster relief subfund from the agricultural processing and export fund.

Section 10. This Act is repealed on July 1, 2025.

Section 11. Whereas, this Act is necessary for the support of the state government and its existing public institutions, an emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

An Act to create the small business economic disaster relief subfund, to provide for the transfer of certain funds into the subfund, to authorize the Economic Development Finance Authority to make a grant to the subfund, to provide for the continuous appropriation of the subfund, and to declare an emergency.

I certify that the attached Act originated in the:

Senate as Bill No. 192

_____
Secretary of the Senate

_____
President of the Senate

Attest:

_____
Secretary of the Senate

_____
Speaker of the House

Attest:

_____
Chief Clerk

Senate Bill No. 192
File No. ____
Chapter No. _____

Received at this Executive Office
this _____ day of _____,

2020 at _____M.

By _____
for the Governor

The attached Act is hereby
approved this _____ day of
_____, A.D., 2020

_____
Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

Filed _____, 2020
at _____ o'clock __M.

_____
Secretary of State

By _____
Asst. Secretary of State