



## 2020 South Dakota Legislature

# Senate Bill 116

Introduced by: **Senator Stalzer**

1 **An Act to establish requirements certain state entities must follow when applying**  
 2 **for federal grants.**

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

4 **Section 1.** That a NEW SECTION be added:

5 **4-8B-13. Federal grant application approval--Information required.**

6 When any department, agency, or official of state government applies for or renews  
 7 a federal grant agreement, either as the recipient or the sub-recipient of the grant, the  
 8 department, agency, or official shall, at least sixty days before submitting the grant  
 9 application, provide to the Governor, the Bureau of Finance and Management, and the  
 10 Joint Committee on Appropriations or the Interim Committee on Appropriations the  
 11 following information:

- 12 (1) Any state law authorizing the proposed grant;  
 13 (2) All costs and benefits associated with the proposed grant reported as either  
 14 quantified and monetized; quantified, but not monetized; or not quantified, and  
 15 including an evaluation of whether the benefits of the grant will exceed the costs  
 16 of the grant including the following:
- 17 ~~(i)~~(a) Any direct or indirect cost associated with the implementation of the grant  
 18 to the state, the grant recipient, or to local government with projections  
 19 covering at least ten years after the expiration of the grant period;
- 20 ~~(ii)~~(b) Any direct or indirect benefit associated with the implementation of the  
 21 grant to the state, the grant recipient, or to local government with the  
 22 projections covering at least ten years after the expiration of the grant  
 23 period; and
- 24 ~~(iii)~~(c) Any sources of revenue affected by the proposed grant and the estimated  
 25 increase or decrease in revenues or expenditures of state or local  
 26 government that would result from the implementation of the proposed

- 1                   grant, including the costs necessary to enforce any rules associated with  
2                   the grant;
- 3       (3) A written determination as to whether the programs, policies, or practices  
4       implemented under the grant will continue after the grant period expires. If it is  
5       determined that the programs, policies, or practices implemented under the grant  
6       will continue after the grant period expires, the state department, agency, or  
7       official shall identify the revenue source for any of the costs identified under  
8       subdivision (2);
- 9       (4) The impact on state and local policy, including any resulting transfer of  
10       accountability or governing control from state or local officials to any entity inside  
11       or outside the state, including the federal government, any private association or  
12       corporation, or any other entity;
- 13       (5) The purpose and effect of the grant program, including the effect of the grant  
14       program and the interrelationship of the grant program with any existing program  
15       or policy currently operating within the state;
- 16       (6) Any compliance mandates, both existing and new, and any policy directives  
17       necessary to satisfy the terms of the grant; and
- 18       (7) Any laws that must be passed or repealed in order to comply with the terms of the  
19       grant, including budgetary considerations.

20       **Section 2.** That a NEW SECTION be added:

21                   **4-8B-14. Grant report for Governor--Bureau of Finance and Management.**

22                   Within thirty days following the receipt of a submission required under § 4-8B-13,  
23                   the Bureau of Finance and Management shall provide to the Governor a report on the  
24                   proposed grant. The report shall include an assessment of the grant applicant's compliance  
25                   with the requirements in § 4-8B-13 and an assessment of whether the grant would impose  
26                   any new limits or mandates on activities within the private sector.

27                   The grant applicant shall provide to the Bureau of Finance and Management any  
28                   further information necessary to complete the report required in this section.

29       **Section 3.** That a NEW SECTION be added:

30                   **4-8B-15. Consent of Governor required.**

31                   No grant application may be submitted to the grant-making entity unless the  
32                   Governor provides written consent. If the Governor does not consent to a grant, the

1 Governor may allow the grant applicant to revise and resubmit the grant application for  
2 the Governor's reconsideration.

3 **Section 4.** That a NEW SECTION be added:

4 **4-8B-16. Grant applications and required reports--Open to public.**

5 Any grant application reviewed, or any report required under §§ 4-8B-13 through  
6 4-8B-15, is open to the public. The Bureau of Finance and Management shall maintain the  
7 applications and reports in a public database.