

# State of South Dakota

EIGHTY-SIXTH SESSION  
LEGISLATIVE ASSEMBLY, 2011

400S0643

## HOUSE STATE AFFAIRS ENGROSSED NO. **HB 1231** - 2/16/2011

Introduced by: The Committee on State Affairs at the request of the Office of the Governor

1 FOR AN ACT ENTITLED, An Act to provide for the sale of certain surplus real estate, to  
2 appropriate the proceeds to the revolving economic development and initiative fund, and to  
3 revise certain provisions relating to the sale of certain surplus property.

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

5 Section 1. Upon the request of the Governor, the Commissioner of School and Public Lands  
6 shall sell all or any portion of the following real estate and any related personal property and  
7 improvements located on the property:

8 (1) In Aurora County:

9 (a) Certain property under the control of the Department of Corrections and  
10 described generally as the N1/2 of the NE1/4, less the North 600', Section 13,  
11 Township 103, Range 64, consisting of 42.68 acres, more or less;

12 (b) Certain property under the control of the Department of Corrections and  
13 described generally as the NW1/4, less the North 880', Section 13, Township  
14 103, Range 64, consisting of 106.72 acres, more or less; and

15 (c) Certain property under the control of the Department of Corrections and



1 described generally as the N880' of the NE1/4 of Section 14, Township 103,  
2 Range 64, consisting of 53.44 acres more or less;

3 (2) In Custer County:

4 (a) Certain property under the control of the Department of Corrections and  
5 described generally as HES#168, less Tract A and less Lot A, located in  
6 Sections 22 and 23, Township 4S, Range 4EBHM, consisting of 73.48 acres,  
7 more or less;

8 (3) In Fall River County:

9 (a) Certain property under the control of the Department of Military and Veterans  
10 Affairs and described generally as Lots 1-5, inclusive, of Block 42; and Lots  
11 13-23, inclusive, of Block 42, Second Minnekahta Addition, City of Hot  
12 Springs; and

13 (b) Certain property under the control of the Department of Military and Veterans  
14 Affairs and described generally as Lots 1-12, inclusive, of Block 1; Lots 1-12,  
15 inclusive, of Block 2; Lots 1-24, inclusive, of Block 3; Lots 1-14, inclusive,  
16 of Block 4; Lots 1-12, inclusive, of Block 6; and Lots 1-4, inclusive, of Block  
17 7, Cottage Grove Addition, City of Hot Springs;

18 (4) In Minnehaha County:

19 (a) Certain property under the control of the Department of Corrections and  
20 described generally as the SW1/4 of the NW1/4 and NW1/4 of the SW1/4,  
21 Section 7, Township 101, Range 50, consisting of 80 acres, more or less;

22 (b) Certain property under the control of the Department of Corrections and  
23 described generally as the W1/2 of the NW1/4 of the NW1/4 of Section 18,  
24 Township 101, Range 50, consisting of 20 acres, more or less;

- 1 (c) Certain property under the control of the Department of Corrections and  
2 described generally as the W1/2 of the NE1/4 and the SE1/4 of the NE1/4 of  
3 Section 12, Township 101, Range 51, consisting of 120 acres, more or less;
- 4 (d) Certain property under the control of the Department of Corrections and  
5 described generally as the N1/2 of the NW1/4 of Section 12, Township 101,  
6 Range 51, consisting of 80 acres, more or less;
- 7 (e) Certain property under the control of the Department of Corrections and  
8 described generally as the N1/2 of the SE1/4 and E1/2 of the SE1/4 of the  
9 SE1/4 of Section 12, Township 101, Range 51, consisting of 100 acres, more  
10 or less;
- 11 (f) Certain property under the control of the Department of Corrections and  
12 described generally as the NE1/4 of the NE1/4 of Section 13, Township 101,  
13 Range 51, consisting of 40 acres, more or less;
- 14 (g) Certain property under the control of the Department of Corrections and  
15 described generally as the S1/2 of the NW1/4 (except the South 806.87' of the  
16 West 810') and the N1/2 of the SW1/4 of Section 14, Township 101, Range  
17 51, consisting of 145 acres, more or less; and
- 18 (h) Certain property under the control of the Department of Corrections and  
19 described generally as a part of the SW1/4 of Section 4, Township 101, Range  
20 49, lying east of the Big Sioux River diversion channel, including Lot "H-2",  
21 except Lot B of Lot "H-2" and except Lot "H-1," consisting of 32 acres, more  
22 or less; and
- 23 (5) In Spink County:
  - 24 (a) Certain property under the control of the Department of Human Services

1 described generally as, Lot CC3, being a Subdivision of Government Lot 1 of  
2 Section 4, Township 116 North, Range 64 West of the 5th P.M. Spink County,  
3 South Dakota, containing 52.67 acres, more or less, less Hwy ROW of 2.15  
4 acres, more or less.

5 Section 2. Real property and related personal property and improvements on the property  
6 which are generally considered a part of the tracts described in section 1 of this Act but not  
7 specifically included in the legal descriptions set out in section 1 of this Act may be sold as  
8 provided in this Act as though they were specifically described in section 1 of this Act.

9 Section 3. Nothing in section 1 of this Act is intended to authorize the sale of real property  
10 under the control of the Department of Military and Veterans Affairs that is intended for use for  
11 construction of a new Veterans Home.

12 Section 4. The real property and other property described in section 1 of this Act shall be  
13 appraised by the board of appraisal established by § 5-9-3 and shall be sold according to the  
14 procedure established in §§ 5-9-6 to 5-9-9, inclusive, §§ 5-9-11 to 5-9-15, inclusive, § 5-9-28  
15 and 5-9-36, subject to all applicable constitutional reservations.

16 Section 5. Except as otherwise required by the South Dakota Constitution or applicable  
17 federal law, notwithstanding any other law to the contrary, the proceeds from the sale of the real  
18 estate and other property described in section 1 of this Act shall be deposited into the revolving  
19 economic development and initiative fund created by § 1-16G-3. The provisions of § 1-16G-7  
20 notwithstanding, the sale proceeds are hereby appropriated for the purpose of making loans and  
21 grants for economic development pursuant to chapter 1-16G.

22 Section 6. That § 5-2-2.1 be amended to read as follows:

23 5-2-2.1. The Board of Regents, ~~the Department of Corrections, and the Department of~~  
24 ~~Human Services~~ may sell extraneous real property subject to the provisions of the Constitution

1 and approval of the Legislature.

2 The proceeds from a sale of such land under the Board of Regents shall be deposited with  
3 the state treasurer and credited to a fund specifically designated as the "real property acquisition  
4 and capital improvement fund" for each institution under the Board of Regents involved in such  
5 transaction. The proceeds shall be invested by the State Investment Council in accordance with  
6 chapter 4-5. Expenditures from the fund shall be approved by the Legislature.

7 ~~The proceeds from the sale of land under the Department of Corrections and the Department~~  
8 ~~of Human Services shall be deposited in the Department of Corrections building improvement~~  
9 ~~fund and the Department of Human Services building improvement fund which are hereby~~  
10 ~~created in the state treasury.~~

11 Section 7. That § 5-2-2.3 be amended to read as follows:

12 5-2-2.3. The proceeds and accumulated interest from sale of land under the Board of  
13 Regents pursuant to § 5-2-2.1 shall be used by the Board of Regents for acquisition of real and  
14 personal property or capital improvements subject to the approval of the Legislature. For  
15 purposes of this section, the definition of capital improvement contained in § 5-14-1 applies.

16 ~~The proceeds of the sale of land under the Department of Corrections or the Department of~~  
17 ~~Human Services pursuant to § 5-2-2.1 shall be expended in such manner as determined by the~~  
18 ~~Legislature.~~

19 Section 8. Notwithstanding the provisions of this Act or any other law to the contrary, the  
20 Governor may direct the Commissioner of School and Public Lands to sell any real estate and  
21 related personal property described in section 1 of this Act to a political subdivision within  
22 which the real estate and related personal property is located. The sale may be made without  
23 first offering the real estate and related personal property for sale to the public. The sale price  
24 shall be at least the appraised value as determined by the board of appraisal established by § 5-9-

1 3, and is subject to all applicable statutory and constitutional reservations.