

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

726U0489

SENATE BILL NO. 127

Introduced by: Senators Kirkeby, Frerichs, Hunhoff (Jean), Johnston, Olson (Russell), Rave, and Soholt and Representatives Lust, Gosch, Hajek, Hunhoff (Bernie), Johns, Romkema, and Russell

1 FOR AN ACT ENTITLED, An Act to revise certain provisions concerning the health and
2 educational facilities authority.

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

4 Section 1. That § 1-16A-52.4 be amended to read as follows:

5 1-16A-52.4. If an educational or health facility is financed or refinanced pursuant to §§ 1-
6 16A-52.1 to 1-16A-52.3, inclusive, the title to ~~such~~ the facility shall remain in the participating
7 educational or health institution owning the ~~same~~, facility. ~~The title is~~ subject to the lien of any
8 mortgage, if any, securing, ~~directly or indirectly~~, the federally guaranteed securities ~~then~~ being
9 purchased ~~or to be purchased and there shall be no~~. There may not be a lease of such the facility
10 between the authority and ~~such the~~ institution.

11 Section 2. That § 1-16A-54.2 be amended to read as follows:

12 1-16A-54.2. Any securities purchased pursuant to § 1-16A-54.1 shall have the same
13 principal amounts, maturities, and interest rates as the bonds being issued pursuant to § 1-16A-
14 54.1, ~~shall~~. If the authority deems it advisable, the securities may be secured by a first mortgage



1 lien on the educational or health facility ~~so~~ being financed; If a mortgage is required, the
2 securities are subject to ~~such exceptions as~~ any exception approved by the authority ~~may~~
3 ~~approve~~ and created by a mortgage instrument satisfactory to the authority, ~~and~~. The securities
4 may be insured or guaranteed by others.

5 Section 3. That § 1-16A-54.4 be amended to read as follows:

6 1-16A-54.4. ~~In the event~~ If an educational or health facility is financed pursuant to §§ 1-
7 16A-54.1 to 1-16A-54.3, inclusive, the title to ~~such~~ the facility shall remain in the participating
8 educational or health institution owning the ~~same~~, facility. The title is subject to the lien of the
9 mortgage, if any, securing the securities ~~then~~ being purchased ~~and there shall be no~~. There may
10 not be a lease of ~~such~~ the facility between the authority and ~~such~~ the institution.