Bill Brief for SB44 – An Act to revise the permanent endowment trust, to authorize the Board of Regents to sell certain extraneous real property and to purchase certain real property, to make an appropriation of sale proceeds, and to declare an emergency.

What does this bill do?

- This bill authorizes the Board of Regents to sell certain extraneous real property and place the funds in the State Treasury, to purchase certain real property, and to protect the permanent endowment trust through exchanges of real estate and facilities.

- This bill authorizes the following land transactions to better align South Dakota State University’s real property holdings with its mission-driven activities:
  - Remove the Section 7 trust designation on three parcels of land (Box Elder, Highmore, West River Agriculture Center) appraised at $1,565,000 and authorize their sale in order to re-invest these dollars into other real property better suited to advance mission-driven activities at SDSU.
  - Designate 52.2 acres, more or less, of real property on the campus of SDSU, appraised at $1,565,000, as Section 7 trust property to ensure the trust is kept whole.
  - Authorize the sale of land known as the Volga Grassland parcel located northwest of campus.
  - Authorize the proceeds of the aforementioned sales to be used to purchase real property known as the Bothe property, currently owned by the South Dakota State University Foundation near the campus of SDSU, and the land purchase authorized in chapter 122 of the 2018 Session Laws, located in Pennington County.
  - Make necessary appropriations to execute transactions contained in this bill.

Why is it necessary?

- As part of SDSU’s regular review of its land holdings, it identified several parcels that were no longer actively serving to advance the university's mission. Consequently, alternative land and facilities were identified that are more suitable to effectively advance the mission of the university.

- Legislative authorization is required for SDSU and the Office of School and Public Lands to complete the transactions contemplated in this bill.

What is the source of funds for this project?

- Funding source is sale of land identified in the bill, other funds of SDSU, and private funds.