

Information Regarding Updated Statement of Financial Interest

1. Who Files. This form is to be completed by all persons assuming the office of Governor, Lieutenant Governor, Secretary of State, State Treasurer, Attorney General, State Auditor, Public Utilities Commissioner, Commissioner of School and Public Lands, Supreme Court Justice, Circuit Court Judge, State Legislature, County Commissioner, School Board member in a school district with total enrollment of more than two thousand students, and commissioner, council member, or mayor in any first class municipality.

2. Deadline. It must be filed in the office where your nominating petition or convention nomination certification was filed within 15 days after taking your oath of office.

3. Nature of your association in #5 and #6 means if you were an employee, officer, director, associate, partner, stockholder, member, proprietor, served in an advisory or consulting capacity, or provided professional services. This must be provided for each enterprise which is listed.

4. Definitions of Terms (SDCL 12-25-27).

(1) "Any member of his immediate family," a spouse or minor children living at home;

(2) "Close economic interest," any enterprise that, in the calendar year preceding filing of a statement under any of §§ 12-25-28 to 12-25-30, inclusive, contributes either more than ten percent of or more than two thousand dollars, to the gross income of the family which shall include the individual required to file the statement and any member of his immediate family, or an enterprise in which such individual or any member of his immediate family control more than ten percent of the capital or stock;

(3) "Enterprise," any business or economic relationship [where you were an employee, officer, director, associate, shareholder, member, partner or proprietor];

(4) "Statement of financial interest," a description of the type of financial activity and the nature of the association with the enterprise as provided in subdivision (1) of this section.

5. Penalty (SDCL 12-25-28) Failure to file the statement of financial interest is a petty offense. An intentional violation is a Class 2 misdemeanor.

6. Conflict of Interest Provisions. State officeholder and local government officials are prohibited (with limited exceptions) from doing business with state and local government. Corporations, partnerships and other business entities in which the officeholder holds some interest or control are likewise precluded from doing governmental business. Spouses and other family members of the officerholder may be similarly prohibited (although no definitive court decision has yet been issued). A prohibited contract may be declared void or subject the officerholder to criminal sanctions. Candidates should review all personal and family financial interests accordingly and contact a lawyer with questions.

a) Legislators (Art. III § 12) This provision of the State Constitution prohibits a legislator from having any interest, direct or indirect, in a contract with the State or county authorized or funded by any law enacted during the legislator's term or one year thereafter.

b) State officers (SDCL 5-23-14.2) This statute prohibits any state officer from being interested in any state contract which the officer has the supervisory power to approve, award or administer.

c) Local government officers (SDCL §§ 6-1-1, 6-1-2, 3-16-7) With limited exceptions local governmental officers, appointed and elected, cannot be interested, directly or indirectly, in contracts with the governmental entity they serve as officers. Contracts that are excepted are detailed in SDCL 6-1-2.