



2022 South Dakota Legislature

Senate Bill 182

Introduced by: **Senator David Johnson**

1 **An Act to prohibit discriminatory actions against persons engaged with the firearm**
 2 **industry.**

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

4 **Section 1. That a NEW SECTION be added to title 37:**

5 Except as provided in this section, no state agency or any elected or appointed
 6 official or employee of this state may, under any governmental authority, enter into a
 7 contract with a bank, as defined in chapter 51A-1, or with a person engaged in money
 8 transmission, as defined in chapter 51A-17, for a financial service, unless the contract
 9 specifies that the party with whom the state is contracting has no categorical policy, rule,
 10 or guidance or other directive requiring that it refuse to provide financial services of any
 11 kind, refrain from continuing to provide existing financial services of any kind, terminate
 12 existing financial services of any kind with, or otherwise categorically discriminate against:

13 (1) A person, engaged in the lawful commerce of firearms or ammunition products, as
 14 defined by 18 U.S.C. § 921, as of January 1, 2022, because the person is a
 15 manufacturer, distributor, wholesaler, supplier, or retailer of firearms, firearm
 16 accessories, or ammunition;

17 (2) A person engaged in the operation of a shooting range; or

18 (3) A firearm trade association that is exempt from federal income taxation under 26
 19 U.S.C. § 501(a), as an organization described in 26 U.S.C. § 501(c).

20 **Section 2. That a NEW SECTION be added to title 37:**

21 If the attorney general has reason to believe that a bank or a person engaged in
 22 money transmission in this state has violated section 1 of this Act, the attorney general
 23 must investigate, and upon finding of a probable violation, must:

24 (1) Seek a declaratory judgement that the bank or person engaged in money
 25 transmission is in violation of section 1 of this Act; and

1 (2) Seek to nullify the terms of any contract entered into in violation of section 1 of
2 this Act.

3 **Section 3. That a NEW SECTION be added to title 37:**

4 Upon a judicial determination that a bank or a person engaged in money
5 transmission has violated section 1 of this Act, the bank or person engaged in money
6 transmission is prohibited from contracting with this state until the attorney general
7 verifies that the bank or person is no longer in violation of section 1 of this Act.

8 The Governor may waive the verification required by this section if notified by the
9 Bureau of Finance and Management that the contracting prohibition may prevent an action
10 determined by the Governor to be necessary for the sound fiscal management of this
11 state.