May 17, 2019

Hon. Steve Barnett
Secretary of State
500 E. Capitol Avenue
Pierre, SD 57501

Dear Secretary Barnett,

This office received an initiated constitutional amendment to allow people to buy, sell, or rent any property or service. The initiated constitutional amendment requires a fiscal note because it was determined that it may have an impact on revenues, expenditures, or fiscal liability of the state or its agencies and subdivisions. Because this office did not receive confirmation until March 18 (the email came in over the weekend when the office was closed) that the draft received from Mr. Breyfogle was a final draft, this fiscal note is within the 60-day limit established by law. SDCL 2-9-37 requires that said fiscal note be no longer than fifty "words." Therefore, numbers and percentages do not count against the fifty-word limit.

Enclosed is a copy of the initiated measure, in final form, that was submitted to this office. In accordance with SDCL 2-9-31, I hereby submit the Legislative Research Council's fiscal note with respect to this initiated constitutional amendment.

Sincerely,

Jason Hancock
Director

Enclosures

CC: Levi Breyfogle
§ 30. In order for a violation of the law to have been committed, each of the following shall occur:

A charge of a violation may only be filed by an individual victim whose person or property have been physically or monetarily damaged or stolen by the defendant. If the victim is incapable of filing a charge of a violation, another individual may, but only if the victim does not object;

and

The damages must have already occurred and be quantifiable.

§ 31. Each known victim in any pending case on July 1, 2021, in the law enforcement, judicial, or correctional systems shall be notified and the victim may file a charge of a violation. If no victim files a charge of a violation, the case, sentence, or outstanding fine shall be dropped by Sept 1, 2021. If a charge is filed, the charge shall be initially reviewed within 30 days to verify the person filing the charge was a probable victim of a willful, direct, physical action of the defendant. No restitution shall be paid for time or fines already paid by any person currently or previously incarcerated or for fines paid if a charge of a violation is dropped pursuant to this section.

§ 32. No public funds of this state, or any political subdivision of this state, may be expended for the implementation, regulation, or enforcement of any federal law, executive order, rule, or regulation regulating any case that is in violation of this amendment. No personnel or property of this state, or any political subdivision of this state, may be utilized for the implementation, regulation, or enforcement of any federal law, executive order, rule, or regulation that is in violation of this amendment.
INITIATED CONSTITUTIONAL AMENDMENT

AN INITIATED CONSTITUTIONAL AMENDMENT REQUIRING PHYSICAL OR MONETARY DAMAGE IN ORDER FOR CONDUCT TO BE CONSIDERED A VIOLATION OF THE LAW.

By requiring physical or monetary damage to an individual's person or property for a violation of law to occur, this amendment nullifies 85% of crimes, including nonpayment of taxes. The estimated voluntary tax payment rate is 0.63%.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>State</th>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>($1,535,806,135)</td>
<td>$0</td>
</tr>
<tr>
<td>Other</td>
<td>($485,058,131)</td>
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</tr>
<tr>
<td>Federal</td>
<td>($915,692,487)</td>
<td>$0</td>
</tr>
<tr>
<td>Property/Other</td>
<td>$0</td>
<td>($2,025,845,901)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Incarceration</th>
<th>($37,303,331)</th>
<th>($33,803,618)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Impact</td>
<td>($2,899,253,421)</td>
<td>($1,992,042,283)</td>
<td></td>
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</tbody>
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