Eight weeks of the 2025 Legislative session are complete, with four days remaining. Monday is the last day for a bill or resolution to pass both bodies. This past week on Thursday was the last day for a "smoke out" (have the floor deliver a bill that lost in committee). Tuesday and Wednesday of this coming week will be used for conference committees (compromise on differences by which a bill passed each side) and finish up the spending bills and the budget. The final budget bill for the fiscal year starting July 1, 2025, will be debated, and adopted next week.

Here are some bills of interest for your discussions over the weekend.

ACTION ALERT: Please Contact Your Representative and Tell Them to VOTE NO on SB 191

Yesterday, members were sent an Action Alert, with a request to contact your state Representatives on SB 191. Wednesday night, the House State Affairs committee passed SB 191 which is a California-style property tax bill. SB 191 was amended in committee; however, the bill as amended remains unworkable. Here's why SB 191 is bad for South Dakota and why you should urge your Representative to vote NO:

- **1. Undermines Fairness in Property Taxes** SB 191 disrupts South Dakota's principle of uniform property tax assessments by allowing nearly identical homes to be taxed differently.
- **2. Shifts the Tax Burden** SB 191 reduces \$42 million in local effort for the school districts. This could result in a shift to other taxpayers.
- **3. Violates the State Constitution** South Dakota's constitution requires uniform taxation within property classes. SB 191 violates this principle by treating similar properties differently.
- **4.** Leads to Tax Increases The amendment states that regardless of any other statutes, if a district is at the maximum levy, they can still continue to increase their taxes annually. This is unbridled growth that South Dakota does not want!

Act Now! Contact your Representative and urge them to VOTE NO on SB 191.

Bill Designed to Protect Farmers and Ranchers Passes the House of Representatives

The agriculture industry struck a win this week with the passage of SB 14. Senate Bill 14 will create a safer environment for farmers and ranchers. The bill combines two related laws into one chapter of law dealing with "agriculture production facilities." It also adds penalties for using deception to gain access to or employment at an ag production facility with intent to cause physical or economic harm, or for knowingly placing or using a camera or electronic surveillance device to spy on an ag production facility while committing to criminal trespass. The bill passed the House of Representatives on a 67-2 vote. The bill will now go back to the Senate for concurrence.

Please contact your Representative and thank them for voting yes on the bill.

Governor Signs Eminent Domain Legislation

On Thursday, Governor Larry Rhoden signed HB 1052 which restricts carbon oxide pipelines from exercising eminent domain. This comes after a week of extensive debate, discussion of amendments, and passage of the

bill through the Senate. Additionally, with HB 1052 being one of the most talked about bills of session, Governor Rhoden sent a letter to the House of Representatives explaining his signing. Click here to read Governor Rhoden's letter.

Brand Board Bills Die in Committee

On Thursday, the Senate Agriculture and Natural Resources Committee killed two bills related to the brand board. The first bill was HB 1266 which would have administratively assigned the Brand Board to the Office of School and Public Lands instead of the Department of Agriculture and Natural Resources. SDFB opposed this bill for the following reasons.

- 1. The bill is unnecessary. Moving the Brand Board to School and Public Lands for reporting purposes only will not "fix" issues with the Brand Board's operations.
- 2. Farm Bureau as well as other agricultural organizations already work with DANR on a host of agricultural issues such as CAFO permit reissuance, water rights, etc. Additionally, other agriculturally related boards are tied to DANR for the reason that DANR is designed to serve the needs of farmers and ranchers.

The second Brand Board bill was HB 1213. SDFB supported HB 1213 which would have increased the brand inspection fee cap associated with livestock brand inspection from \$1 to \$1.35 per head inspected. It is important to note that the increase was only associated with the fee cap. The actual fee would have been increased in the Rules Review Committee and may have been set at a different rate below the \$1.35.

Both bills died in Senate Agriculture and Natural Resources on a 4-3 vote.

Bond Payoffs & CAFO Fee Increases Pass

SB 56 passed the House of Representatives and is the Administration's proposal to use one-time money to pay off several bonds, including the Animal Disease Research and Diagnostic Lab (ADRDL) bond. Consequently, this would free up \$3.35 million in general funds that are there because of money tied to agricultural property tax relief and the half a penny sales tax increase in 2017. Agriculture groups agreed to re-direct \$3.35 million of that property tax relief toward paying for the ADRDL. Now that the bonds will be paid off, the dollars will revert back to agriculture on the date the bonds were originally going to be paid off in 2040.

HB 1021 passed the Senate this week. This bill is the Department of Agriculture and Natural Resource's fee increase to the existing concentrated animal feeding operations program. The current fees have not been changed since they were adopted 28 years ago and currently cover approximately 5 percent of the total \$1,850,000 cost of running the program. The agency's goal is to have fees cover approximately a third of the cost of running the program, with state general funds and federal funds each contributing approximately a third of the cost of the program. The current fee structure is below.

Number of Animal Units	Annual Fee
< 1,000	\$100
1,000-1,999	\$175

2,000 or more	\$250

House Bill 1021 would change from a three-tiered fee structure to a per-animal fee structure, with the fee differing based on the species.

The proposed fee structure is shown in the table below.

Permitted Animal Type / Maximum Permitted Head vs Proposed Fee Over Time		
Animal Type	July 1, 2025	
Dairy cattle (mature – milked or dry)	\$0.172 / head	
Other cattle or bison	\$0.12 / head	
Horses	\$0.24 / head	
Swine (weaned) less than 55 pounds	\$0.012 / head	
Swine equal to or greater than 55 pounds	\$0.048 / head	
Sheep or weaned lambs	\$0.012 / head	
Turkeys	\$0.0022 / head	
Chickens	\$0.0011 / head	
Ducks or geese	\$0.004 / head	

In addition to the per-animal fee structure, DANR is proposing to assess a \$600 fee for the following:

- 1. An application for a new operation;
- 2. An application to increase the maximum animal numbers at an operation;
- 3. An application to increase the manure or process wastewater containment structure volume at an operation;
- 4. A second or any subsequent application, submitted in a calendar year, adding land application fields to the permit of an operation;
- 5. An application submitted for an individual permit; or
- 6. An application for coverage under a general permit submitted after July 1, 2027.

SDFB supported the bill with the expectation that with the additional funds, the CAFO program will have increased efficiencies and technology that will improve the program. The bill will now go to the Governor's desk.

SDFB Bill Tracker

The SDFB bill tracking list is up and running. Check it out on the SDFB website. As in past years, it gives you a quick look at the bills we are supporting, opposing, or just watching.

Below is a list of some of the bills that SDFB is supporting, watching, or opposing.

Supporting:

SB 216: Reduce the growth in the assessed value of owner-occupied property, limit increases in certain property tax revenues, revise provisions regarding school district excess tax levies, and revise eligibility requirements for a property tax assessment freeze.

Purpose: This bill is the Governor's property tax bill. The bill limits annual increases in assessed property values for the owner-occupied class, caps local government and school district budget growth, raises income limits for the property tax freeze program, and increases the maximum home value eligible for tax relief programs.

HB 1169: Modify the signature requirement for a petition to initiate a constitutional amendment.

Purpose: This bill would require that before an amendment to the South Dakota Constitution is proposed to the voters, the signatures required to put the amendment on the ballot must have at least five percent of the total votes cast for Governor in each South Dakota senatorial district at the last gubernatorial election.

Watching:

SB 169: Require a public hearing prior to a vote to impose an excess tax levy.

Purpose: This bill would require least ten days in advance notice of a vote to impose an excess tax levy.

If you have any questions or comments, please contact the South Dakota Farm Bureau policy team.

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Helpful Links:

View the SDFB bill-tracker list here.

View the details on any bill by clicking this link and typing in the bill number: 2025 South Dakota Bills

Find contact information for the Legislators here: 2025 South Dakota Legislators