

February 6, 2026

The fourth week of the legislative session is five working days instead of the customary four-day week. On Wednesday, the deadline to file bills was reached and the total result was 570 bills and 10 joint resolutions! In addition to there being more bills than last year, Farm Bureau is tracking 149 bills which is 40 more than last year.

Next week, South Dakota Farm Bureau is excited to host Farm Bureau Day at the Capitol. The event will be held February 9-10 and will include a Legislator Social, county leaders' training, and representation at the Capitol.

Cell Cultured Meat Fight Goes to Senate

SDFB, SD Cattlemen's, SD Retailers, and the Department of Agriculture and Natural Resources opposed HB 1077, a bill that would change the definition of adulterated food in South Dakota. While SDFB does not support or endorse cell-cultured meat, we strongly oppose HB 1077 because it improperly changes the legal definition of "adulterated food" in state law. Under current law, an adulterated product is already prohibited from being sold in South Dakota. Additionally, HB 1077 misuses the term "adulterated" by disregarding its plain meaning, which is a product that is filthy, poisonous, diseased, produced under unsanitary conditions; or one that has had something harmful added or removed. Cell-cultured meat, if approved by the USDA, FDA, and other appropriate regulatory bodies, would not be adulterated by its mere existence.

SDFB also opposed HB 1077 because it represents a California-style prohibition that could ultimately harm farmers and ranchers. If HB 1077 were enacted and upheld by the courts, it would open the door for states to ban federally approved products based solely on subjective beliefs. For example, nothing would prevent another state from banning GMOs simply because their legislature believes it is unhealthy, despite federal approval. This bill sets a dangerous precedent and invites a state-by-state fight that would disrupt commerce and hurt farmers and ranchers. Lastly, instead of an upfront ban that is clear and honest about its intent, the bill attempts to stretch the meaning of "adulterated" beyond recognition. In doing so, it creates confusion in food law and risks unintended consequences well beyond this single issue.

Unfortunately, the Senate passed HB 1077 on an 18-16 vote. The bill will now go to the Governor's desk for his consideration.

Property Tax Bills Pile Up at the Capitol

To date, the South Dakota Legislature has introduced 64 bills related to property taxes. While SDFB has been successful in defeating several harmful proposals, many more remain that would shift the tax burden onto farmers and ranchers, increase the state sales tax to fund property tax relief, or cut property taxes outright with no plan to replace the lost revenue.

This week, SDFB joined SD Retailers and the SD Department of Revenue in opposing SB 126 and SB 144. SB 126 had action deferred to Friday and SB 144 will be heard in the future. Each proposal shifts the property tax burden onto other classes of property owners. For example, SB 126 would increase the property tax-exempt value for disabled veterans by 75%, raising it from \$200,000 to \$350,000. While SDFB strongly supports

veterans, the Legislature increased this exemption just two years ago. Although additional adjustments may be warranted in the future, a 75% increase is unnecessary at this time.

A bill scheduled for future hearing is SB 144. Sponsored by Sen. Voight, SB144 creates a new property tax relief program that would freeze the assessed value of an owner-occupied home if the homeowner is at least 65 years old, has lived in the home for 10 years, and has been a South Dakota resident for 25 years. SDFB opposes SB 144 for several reasons:

1. The eligibility requirements are too broad, failing to provide targeted relief to those most in need.
2. The bill creates unintended consequences, particularly for seniors who choose to downsize and would lose the benefit, effectively subsidizing those who remain in larger homes.
3. The proposal shifts the tax burden onto farmers, ranchers, business owners, and young families.

Right-to-Repair Bill Introduced

Right-to-repair has been an important issue for Farm Bureau members for years and they asked us to find a private-sector solution. At American Farm Bureau Federation's 2023 Annual Convention, AFBF signed the first memorandum of understanding with John Deere. Following the MOU with John Deere, AFBF has signed agreements with four other manufacturers. The MOUs have allowed manufacturers to protect their intellectual property while ensuring farmers and independent repair shops are able to make repairs.

Unfortunately, instead of working it out with private industry and avoiding a patchwork of state laws, HB 1269 has been introduced, which will only complicate the landscape for farmers and ranchers.

The MOUs have established a direct path for equipment owners to immediately resolve any repair issues that arise. We have seen this work already and believe it to be a much more effective solution than having a farmer or rancher file a state consumer fraud claim under state legislation.

Please contact your legislator and urge them to vote NO on HB 1269!

State Budget Conversations & Making the State Sales Tax Cut Permanent

Discussions over the state budget continued this week with the release of the December sales tax revenues. Unexpectedly, revenues were up almost \$10 million more than the Governor's budget proposal. While some individuals are claiming this is an anomaly, others are pushing for use of the extra dollars to support the "Big Three," which are the following:

- Education
- Providers
- State Employees

The Governor in his budget address proposed a 0% increase for the "Big Three."

Along the lines of state budget, Sen. Karr has a bill to make the state sales tax rate permanent at 4.2%. SB 195 would repeal the 2027 sunset for the state sales tax reduction. During the 2023 Legislative Session, HB 1137 was signed into law and reduced the state sales tax from 4.5% to 4.2%. A condition of that bill was the state sales tax cut is set to revert to 4.5% with the 2027 sunset clause. SDFB policy supports the sunset clause.

SDFB urges caution surrounding the future of South Dakota's economy as well as utilizing any extra funds for property tax relief. Within the past 10 years, South Dakota's budget has also almost doubled for multiple reasons. Since the start of the COVID pandemic, South Dakota has experienced an extraordinary increase in state revenues. Some of this comes from economic growth and some from inflation, but much of it stems from an unprecedented amount of one-time federal funding.

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.

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

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Helpful Links:

[The SDFB Bill Tracker](#)
[The SD Legislature full list of bills](#)
[2026 SD Legislators Contact Information](#)
[2026 Cracker Barrel Schedule](#)