The 9th and final week of the 2021 SD Legislative Session finished their business just before 5 p.m. on March 11. The first two days of the week found busy schedules with more than three dozen bills for floor debate, while the last two days found agreement and cooperation on most topics. The one major item of difference was implementation of medical marijuana. The Governor and the House wanted to delay the implementation of the November action by the voters, but the Senate forced the issue, and in the end, medical marijuana will be available by July 1.

Veto day will be Monday, March 29.

MERGER OF DENR and AG
Senate Resolution of Disapproval 901, a bill to negate the Governor’s effort to combine the Department of Ag and Department of Environment and Natural Resources into one was considered in Senate Ag committee on Monday and passed to the floor 4 to 3. On Tuesday, the bill was debated and lost on a vote of 17 to 18. A motion was made to reconsider the issue, but on Tuesday, that motion was withdrawn. If either the House or the Senate had passed a disapproval motion, the merger would have not happened.

Education Funding and Property Levies
SB 49 provided a 2.4 percent increase in state aid to local education. Cost of living was 1.5 percent, so the Governor’s recommendation for additional monies was adopted. This makes up for the shortfall in recent years when the Cost of Living was not achieved, and primary and secondary education received less than the statute calls for. Education also received $11M in one-time monies. The state share for next year will be 57.95 percent of the state-wide cost of K-12 schools. Property taxes pay the remainder.

Levies on each class of property will be reduced 2.3 percent in the general education formula and the special education levy was lowered from $1.684 per thousand valuation to $1.67.

<table>
<thead>
<tr>
<th>Class</th>
<th>2020 levy</th>
<th>2021 levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$6.682</td>
<td>$6.525</td>
</tr>
<tr>
<td>Ag Land</td>
<td>$1.443</td>
<td>$1.409</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>$3.229</td>
<td>$3.153</td>
</tr>
</tbody>
</table>

As the state total of valuations increases each year, the general education mill levy receives a reduction. All classes of property are treated with an equal percent.

Final Action on other bills

SB 34, to provide for $100M for expanding broadband services to the remaining 135,000 citizens passed the House 52 to 16 and was sent to the Governor.
SB 93, a bill to transfer $20M of general funds to the state railroad fund for the purpose of assisting with the upgrade of the Fort Pierre to Rapid City Line, by installing welded rail and upgrading and reconstructing the bridges, passed the House 57 to 11.

SB 99, a bill to provide $12M for the building of the DEX on the state fairgrounds to replace the beef complex that burned down last fall passed the House 59 to 9. Fundraising and insurance monies will be added to make this a $20M project to be completed for the 2022 fair.

SB 191, a bill to allocate $600,000 to study and plan the upgrade and expansion of the SDSU Meat Lab was tabled in the House.

SB 192, a bill to allocate $3.5M to rebuild the Cottonwood Research station was tabled in the House.

HB 1140, the Open Fields bill, was defeated by the Senate Judiciary committee 7 to 0; was then smoked out on the Senate floor, amended, passed the Senate and concurred to by the House on a 59 to 8 vote and sent to the Governor.

HB 1153, an act to appropriate $7.5M of general funds to renovate the dairy research and extension farm at SDSU was concurred to by the House 57 to 11. Fundraising by the industry and private sector will match the $7.5M for a project totaling $15M.

HB 1210, an act to appropriate $20M general funds for the bioprocessing research center at SDSU was concurred to by the House 66 to 2. SDSM&T engineering school will collaborate in this venture.

HB 1259, an act to provide $3M for a study of the needs and priorities of small structures, small bridges and culverts on township and secondary county roads passed the House 66 to 2. An additional $3M is allocated for the following year to begin work on the needs of the highest priority.

In summary, almost $400M of federal pandemic monies available to this legislature was directed to infrastructure and other one-time projects. There were about 100 bills introduced during the session to spend this one-time money, and in the end by majority rule, the decisions were sorted out. This Legislature held fast to the long-standing rule that one-time dollars should not be built into on-going budgets, but rather directed to one-time needs.

If you have any questions or comments, please contact me.

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Helpful Links:

View the SDFB bill-tracker list here:
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View the details on any bill by clicking this link and typing in the bill number:
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Find contact information for the Legislators here:
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