



# Policy Update

**July 28, 2023**

## **South Dakota Ends Fiscal Year with a Surplus**

South Dakota recently released end-of-year revenues and analysis. The state spent \$79.7 million less than appropriated in fiscal year 2023, with the total revenue finishing above the legislative adopted forecast by \$17.1 million. Sales and use tax, which is the state's largest revenue source, finished 0.5% below estimates, down \$6.9 million.

South Dakota continues to maintain a AAA credit rating and is one of the only states with a fully funded pension. By law, the fiscal year 2023 surplus was transferred to the state's budget reserves. The state's reserves now total \$335.7 million or 14.7% of the fiscal year 2024 general fund budget.

## **Navigator CO2 Pipeline Hearing Begins**

The Navigator CO2 pipeline began its Public Utilities Commission evidentiary hearing in Ft. Pierre on July 25. The hearing will include two weeks of testimony about the project. The Public Utilities Commission will examine the information and release a permit based upon PUC requirements. The project is approximately 1,300 miles of pipelines for the transportation of CO2 from more than 21 ethanol and fertilizer plants across five states, including three ethanol plants in South Dakota, that will transport captured carbon dioxide for permanent and secure underground sequestration in Illinois. The hearing will continue July 31 and conclude August 5.

To learn more about the project or to listen live, please click [here](#).

## **McCook County Commission Places Temporary Moratorium on CAFO Development**

The McCook County Commission voted to place an emergency two-week moratorium on concentrated animal feeding operation (CAFO) development. The moratorium was established to put a hold on issuing building permits for confinement units. The Commission will revisit the issue at their August 1, 2023, meeting to determine if a longer moratorium is needed. SDFB will continue to monitor this issue closely.

## **United States Senate Passes Amendment to Address Foreign Ownership of Ag Land**

Recently, the United States Senate passed an amendment to the National Defense Authorization Act that would require the Committee on Foreign Investment in the United States (CFIUS) to bar investors "subject to the jurisdiction or direction of" the governments of China, Russia, North Korea and Iran from purchasing land and agricultural companies. The bill would also add the Secretary of the United States Department of Agriculture as an ex-officio member of CFIUS and require CFIUS to review purchases exceeding 320 acres or \$5 million by investors from any foreign country. The measure provides the President with authority to make exceptions to the ban where national security may be affected and does not apply to foreign-owned companies already operating within the United States.

For more information on this legislation, please click [here](#).

**South Dakota Farm Bureau Federation Submits Comments on Prairie Dog Hunting**

South Dakota Farm Bureau recently submitted comments on a proposed permanent ban on prairie dog hunting in the Conata Basin of the Buffalo Gap National Grasslands. SDFB is requesting the Forest Service to withdraw the proposed rule of a permanent ban on over 100,000 acres of federal land. Farmers and ranchers in South Dakota rely heavily upon the raising of cattle and other livestock for their livelihood. Livestock production is the predominant economic force in this region and a permanent ban on prairie dog hunting has a negative effect on these farmers and ranchers. The United States has also encouraged the growth of the livestock industry by permitting grazing on the vast federal land holdings in South Dakota.

To read the comments, please click [here](#).

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