



# Policy Update

**May 17, 2024**

**Repeal of the State Food Sales Tax will be on the 2024 November Ballot**

The South Dakota Secretary of State recently announced the validation of an initiated measure prohibiting taxes on “anything sold for human consumption,” except alcoholic beverages and prepared food. Dakotans for Health, the group circulating petitions was successful in gathering the required 17,508 signatures for an initiated measure. The group will now wait 30 days to see if there are challenges to the validation. If no entity challenges the validation, the ballot measure will be voted on in the 2024 General Election ballot on Nov. 5, 2024. The title for the ballot question will be **Initiated Measure 28 (IM 28)**.

South Dakota Farm Bureau, in accordance with grassroots policy, will be opposing IM 28 as it removes the sales tax on unprepared food and because it violates basic principles of sound tax policy. It’s clear since the start of the COVID pandemic in 2020, 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. Additionally, the Legislature has already cut the state sales tax rate from 4.5% to 4.2%.

Lastly, South Dakota taxpayers have always understood that a low, broad-based sales tax is how we avoid implementing an income tax. We’re the second-lowest taxed state in the United States because of our responsible approach.

For more information on 2024 ballot measures, please click [here](#).

**ACTION ALERT: House Agriculture Committee Farm Bill Markup**

Both Chairs of the House and Senate Agriculture Committees have unveiled outlines of their proposed farm bills, signaling introductions and committee action, that promise to shape agricultural policy and funding allocations over the next five years.

Farm Bureau is advocating for a modernized farm bill that addresses the many changes and challenges of the past and future. With a presidential election in 2024, House Agriculture Committee members and all lawmakers must focus on a new five-year farm bill now.

American Farm Bureau Federation is urging Farm Bureau members across the country to call for the passage of the farm bill. Please click [here](#) to write to your lawmakers today and tell them to encourage the House Agriculture Committee to vote on a new farm bill and ask for its swift passage on the House floor.

### **State Water Management Board Approves Lewis & Clark Water System Future-Use Permit**

The State Water Management Board recently approved a future-use permit for the Lewis and Clark Water System. Originally filed with the state Department of Agriculture and Natural Resources, the application required legislative approval for volumes exceeding 10,000 acre-feet before the Board could consider it formally. During the 2024 legislative session, SDFB advocated for the approval of this permit and was glad to see its legislative approval.

The plan entails increasing the system's capacity from the current 44.19 million gallons per day to 60 million gallons daily. The permit specifically allocates up to 19,121 acre-feet of groundwater annually from the Elk Point unit of the Missouri aquifer to Lewis & Clark.

Despite this approval, a formal application for the additional water must still be submitted and approved by the state board.

For more information about the Lewis and Clark Water System, please click [here](#).

### **Dakota Conservation Network Website and Resources**

The South Dakota Association of Conservation Districts and USDA-NRCS have worked to release the Dakota Conservation Network. This network is designed to promote locally led conservation initiatives that build healthy soils, improve water quality, provide wildlife habitat, and improve the environmental and economic performance of working lands across South Dakota's 31,000 farms and ranches. A key provision of the Dakota Conservation Network is the creation of a directory of programs, grants, and help across a variety of organizations, including the USDA-NRCS, SD Game, Fish & Parks, South Dakota Grassland Coalition, and many more.

To learn more about the Dakota Conservation Network, please click [here](#).

### **Contact for Questions**

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