

SDFB Legislative Update – Week 6

There are three weeks of legislative session remaining. Crossover Day is next week, Thursday, February 27. This is the final day for bills to be considered in their house of origin. For example, for Senate bills to be considered by the Senate or House bills to be considered by the House. Several of the bills we are following have not even been assigned a committee and must be resolved in the next five legislative days.

SDFB PRIORITY BILLS

The two bills that have the highest priority for SDFB, SB 157 and SB 170, cleared their first hurdles this week.

SB 157, a bill to revise certain provisions regarding the county zoning and appeals process, passed the Senate floor this afternoon by a vote of 24-11. As was discussed on the floor, SB 157 clarifies the process for permitting livestock projects and makes the timeline more certain, all while upholding local control. SB 157 was amended slightly to alleviate some concerns from some Senators. The amendment removed the option for the court to award compensatory damages to the defendant in an appeal. The court can still award court costs and attorneys' fees if it so chooses.

Thank you to all who contacted legislators to support this bill. If your Senator voted in favor of SB 157, please reach out to them and thank them.

CAPITAL OUTLAY

SB 170, an act to revise certain provisions regarding school district capital outlay funds, was heard in Senate Education on Thursday and passed 6-1. It will be heard on the Senate floor next week. SB 170 is the result of negotiations between the education lobbyists and the Governor's office, with regular input from SDFB, SD Cattlemen, SD Corn Growers, SD Retailers, and other business groups. The purpose of SB 170 is the following:

- Protect taxpayers by preserving caps on capital outlay tax growth;
- Allow for local control within parameters similar to cities and counties;
- Address specific issues with the current capital outlay structure (rather than overhaul the current system);
- Ensure school districts address their operational decisions.

You may recall the major battle in 2019 to remove the caps on growth and per student spending and allow taxes in capital outlay to increase by \$30 million across the state. There are several bills this year with the same mission. Continued progress on SB 170 and the compromise will deter passage of those other bills. Because of this compromise, education lobbyists have pledged that the caps on capital outlay taxes and other issues related to the subject will not be brought up in the near future.

AG LAND TAXATION

HB 1107, an act to require that valuation adjustments made to agricultural land that affect its productivity be documented by the local director of equalization, passed the Senate Tax committee 7-0 and was sent to the full Senate for action where it passed 35-0 on Thursday afternoon.

BALED FEED TRANSPORTATION

HB 1084, an act to raise the height for hauling baled feed on highways to 15 feet, passed the Senate 33 to 0. This bill has an emergency clause which means it will go into law as soon as the Governor signs it. In two committee meetings and two floor votes, there was not one no vote on HB 1084. That does not happen very often.

BIOPROCESSING

HB 1100, an act to make an appropriation to begin research and development of a new bioprocessing facility passed the Joint Appropriations Committee 14-1 on Thursday. For now, the bill allocates \$1 for this project. This is a normal tactic until the budget gets further developed. Once appropriators have a better idea of how much money is available, there will be an amendment to the bill to add that funding in. The bill calls on SDSU and SD School of Mines and Technology to collaborate with a goal of finding new and expanded value-added uses for ag products.

Feel free to contact me with any questions or concerns during session.

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Helpful Links:

View the SDFB bill-tracker list here:

<https://www.sdfbf.org/Policy-Advocacy/State-Legislative>

View the details on any bill by clicking this link and typing in the bill number:

http://sdlegislature.gov/Legislative_Session/Bills/Default.aspx?Session=2020

Find contact information for the Legislators here:

<http://sdlegislature.gov/Legislators/ContactLegislator.aspx?Session=2020>