

SDFB Legislative Update – Week 7

The seventh week of legislative session saw a flurry of action on lots of bills. Thursday was Crossover Day, the deadline for action on bills in their house of origin. Crossover Day is typically a long day for legislators as they work through their agendas. For example, while the House of Representatives met for six hours, they had the wisdom to convene at 11 a.m., so the House adjourned at 5:02 p.m. The Senate began its session at 2 p.m. and adjourned by 3:28 p.m. In total, that might be one of the shortest crossover days ever for the two bodies. Lots of work remains for the final eight days. Legislators have five days to finalize floor action on a bill in the second body; two days for conference committees; and March 12th for the budget.

WE NEED YOUR HELP

SB 157, Governor Noem's bill to reform and streamline the county zoning process, will be heard Wednesday, March 4, in the House State Affairs Committee at 7:45 a.m. If passed by the committee, the bill will need to be acted on in one or two days after the committee action on Wednesday.

All 70 members of the House are receiving many contacts from the opposition, who are largely opposed to livestock development projects and take full advantage of the difficulties the current process creates for producers. Please plan on attending cracker barrels this weekend to voice your support for SB 157. Please also reach out to your House members and let them know your thoughts! Click [here](#) to find your legislators' contact information.

Want to learn more about zoning and permitting? Click here [LINK TO FACT SHEET] for a fact sheet.

CAPITAL OUTLAY

SB 170, Governor Noem's bill to reform and fix the capital outlay taxation issue, passed the Senate 35 to 0. SB 170 is a compromise between K-12 education and the Governor's office, with regular input from SD Farm Bureau and other interested parties. Like any compromise, it is not perfect, but will fix many issues and result in not fighting over the issue every year. SB 170:

1. Protects property taxpayers by preserving caps on capital outlay taxes annual pay growth;
2. Allows schools local control within the parameters similar to counties and cities;
3. Addresses specific issues within the structure without overhauling the entire system; and
4. Ensures school districts address their operational decisions.

SB 170 will be heard in the House Committee on Education on Monday morning.

The other capital outlay bill, **HB 1198**, was tabled on the House floor Thursday 59-6, with a motion from the bill's sponsor. HB 1198 would have:

1. Removed the cap of three mills and allowed unlimited levies;
2. Removed the \$2,800 per student cap;
3. Removed the 3 percent or CPI cap on annual capital outlay increases;
4. Required the signatures of 15 percent of the district voters for referral of an increase or new levy where current law requires the signatures of 5 percent; and
5. Allowed each local school board to set a different capital outlay levy for each class of property.

SD REA/MUNICIPAL ELECTRIC DISPUTE

HB 1262, a bill to revise provisions regarding electric service in annexed areas, passed the House 48-20 and was sent to the Senate. SD Farm Bureau testified in favor of HB 1262 because it reforms and improves the present process. A fair, more defined, process and timeline is laid out so the parties can resolve their differences. If you have an interest in this issue, please contact your Senator and ask for support of HB 1262.

WATERSHED DISTRICTS

HB 1166 is a bill to revise provisions for reappointment of inactive watershed district boards and the reactivation of inactive watershed districts. SD Farm Bureau supports allowing the local conservation district to assist when local landowners desire to reactivate their local watershed district. Districts, which were active 50-plus years ago, became inactive when project work was complete. Today districts still exist but there are no officials on the boards. With the increased levels of moisture year after year, local landowners are interested in undertaking management programs for their benefit. Reorganizing in this manner is much simpler and more direct than having to start the process from the beginning. HB 1166 passed the House 66 to 1.

HB 1166 will be heard in Senate Local Government on Monday at 8:30 and SD Farm Bureau will be helping the SD Association of Conservation Districts to pass the bill.

RURAL BROADBAND

Last year, at the Governor's request, the state invested \$5 million to advance rural broadband in South Dakota. That money was leveraged with federal dollars, grant monies, and private sector participation (recipient companies were required to match at least 50 percent of the cost of a project) into a \$25 million fund that connected 6,500 families and over 150 businesses in the state. Projects were accomplished in NE Minnehaha and SE Moody; Timber Lake; Codington Co.; Clay and Union; Davison; Eastern Codington; Irene and Wakonda areas; and rural Hughes county.

The proposed budget this year includes \$5 million to be used in a similar manner this year, so **HB 1292** was tabled in committee as it was unnecessary. Another broadband related bill, **HB 1271**, was tabled in House Commerce committee. HB 1271 would have put in statute a long list of new and added regulations and standards for the broadband program that would have interfered with the success the current program has accomplished.

VETERINARY EDUCATION

On Monday, **HB 1277**, a bill to provide supplemental bridge funding for the veterinary medical program between SDSU and the University of Minnesota, will be heard in Appropriations. This is a one-time need to fill the gap until ongoing funds are freed up in the current funding program. SD Farm Bureau supports HB 1277.

BIOPROCESSING

HB 1100, a bill to provide funding for a study of finding new uses for South Dakota ag products passed the House 56-12. The study would be of a collaboration between SD SMT Engineering school and SDSU College of Ag to expand the value-added uses of ag products. Sponsors and supporters would like \$1 million for the effort, but the funding level is yet to be determined.

FARM TRUCK LICENSES

HB 1248, a bill to limit the license fees on farm trucks over 45 years old, was defeated on the House floor 28-35 yesterday. The SD Department of Revenue and the counties opposed the bill because Department of Revenue estimated the 1,300 licensed trucks in that category would reduce the counties revenue by \$191,000. Supporters, including SD Farm Bureau countered that the \$400 to \$600 annual fee was too high when measured by the miles used on public roads and there are likely trucks in this category that are unlicensed today because of the high fees.

If you have questions, comments or need info please contact me.

Michael Held
SDFB Lobbyist
605-350-0739
mheld@sdfbf.org

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>