



2022 South Dakota Legislature

House Bill 1037

Introduced by: The Committee on Judiciary at the request of the Attorney General

1 **An Act to revise the penalty for certain willful violations by grain buyers and grain**
 2 **warehouse operators.**

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 **Section 1. That § 49-45-25 be AMENDED:**

5 **49-45-25.** If at any time during the licensing period a grain buyer becomes aware
 6 that the grain buyer is not in compliance with each financial standard, as set forth in the
 7 commission's rules, the grain buyer shall immediately notify the commission of the grain
 8 buyer's financial condition. When notification occurs, the commission shall immediately
 9 conduct an examination to determine if any grounds for suspension pursuant to § 49-45-
 10 16 have occurred. A willful violation of this section that results in a financial loss to a grain
 11 supplier is ~~a Class 6 felony~~ punishable as theft under chapter 22-30A. A willful violation
 12 that does not result in a financial loss to a grain supplier is a Class 1 misdemeanor.

13 In addition, the commission may assess a civil fine against an out of compliance
 14 grain buyer in an amount not to exceed one thousand dollars for each day the grain buyer
 15 has been out of compliance up to a maximum of twenty thousand dollars.

16 **Section 2. That § 49-43-62 be AMENDED:**

17 **49-43-62.** If at any time during the licensing period a grain warehouse operator
 18 becomes aware that the grain warehouse is not in compliance with each financial standard,
 19 as set forth in the commission's rules, the grain warehouse operator shall immediately
 20 notify the commission of the grain warehouse's financial condition. When notification
 21 occurs, the commission shall immediately conduct an examination to determine if any
 22 grounds for suspension pursuant to § 49-43-5.6 have occurred. A willful violation of this
 23 section that results in a financial loss to a grain depositor is ~~a Class 6 felony~~ punishable
 24 as theft under chapter 22-30A. A willful violation that does not result in a financial loss to
 25 a grain depositor is a Class 1 misdemeanor.

1 In addition, the commission may assess a civil fine against an out of compliance
2 grain warehouse in an amount not to exceed one thousand dollars for each day the grain
3 warehouse has been out of compliance up to a maximum of twenty thousand dollars.