

Committee: Senate Taxation

Friday, February 25, 2022 10:00 AM

Roll Call

Present: Sen. Castleberry, Sen. Klumb, Sen. Novstrup, Sen. Herman Otten,  
Sen. Stalzer, Sen. Symens, and Sen. Johns

OTHERS PRESENT: See Original Minutes

**The meeting was called to order by Senator Johns**

**MOTION: TO APPROVE THE MINUTES OF WEDNESDAY, FEBRUARY 23<sup>RD</sup>**

Moved by: Klumb  
Second by: Stalzer  
Action: Prevailed by voice vote

**HB 1053 : authorize counties to issue bonds for certain expenditures funded by a gross receipts tax.**

Presented by: Senator Al Novstrup, District 3

Proponents: Representative Ernie Otten, District 6  
Jim Schmidt, Lincoln County Commissioner, Sioux Falls  
Staci Ackerman, South Dakota Sheriffs Association, Eureka  
Dean Karsky, South Dakota Assoc of County Commissioners, Sioux Falls  
D. Lee Gabel, self, Codington County Commissioner (Handout(s) 1)  
Deb Mortenson, Associated General Contractors of South Dakota, Pierre  
Emily Stiegelmeier, self, Selby  
Eric Erickson, South Dakota Association of County Commissioners, Pierre

Opponents: Keith Owen Moore, Americans For Prosperity, Sioux Falls  
Jim Terwilliger, Department of Revenue  
Lindsey Riter-Rapp, National Federation of Independent Business, Indianapolis, IN  
Jasper Diegel, SD Hotel & Lodging Association, Pierre  
Doug Abraham, South Dakota Retailers Association, Pierre

**MOTION: DO PASS HB 1053**

Moved by: Novstrup  
Second by: Herman Otten  
Action: Prevailed by Majority Members Elect (4-3-0-0)

Voting Yes: Novstrup, Herman Otten, Symens, and Johns

Voting No: Castleberry, Klumb, and Stalzer

**HB 1120 : include carbon dioxide and carbon dioxide capture companies in certain provisions regarding pipeline taxation.**

Presented by: Representative Kirk Chaffee, District 29

Proponents: Justin Bell, Summit Carbon Solutions, Ames, IA (Handout(s) 2)  
Chase Jensen, Dakota Rural Action, Brookings

**MOTION: DO PASS HB 1120**

Moved by: Klumb  
Second by: Stalzer  
Action: Prevailed by Majority Members Elect (7-0-0-0)

Voting Yes: Castleberry, Klumb, Novstrup, Herman Otten, Stalzer, Symens, and Johns

**HAVING PASSED UNANIMOUSLY, THE CHAIR CERTIFIED HB 1120 AS UNCONTESTED AND AS SUCH BE PLACED ON THE CONSENT CALENDAR.**

**HB 1253 : provide property assessment freeze and reduction of property assessment for certain seniors, and to revise qualifications for a property tax exemption.**

Presented by: Representative Kirk Chaffee, District 29  
Proponents: Senator Jessica Castleberry, District 35  
Opponents: Wendy Semmler, Department of Revenue  
Doug Abraham, South Dakota Retailers Association, Pierre

**MOTION: AMEND HB 1253**

1253C

- On page 1, line 8, of the House Engrossed bill, after "the" delete " index value"
- On page 1, line 8, of the House Engrossed bill, after "value" insert " prior year assessment"
- On page 1, line 9, of the House Engrossed bill, delete " coverage" and insert " overage"
- On page 1, line 10, of the House Engrossed bill, after "year's" insert " assessment calculated"
- On page 1, line 15, of the House Engrossed bill, delete " 2015" and insert " 2022"
- On page 2, line 21, of the House Engrossed bill, after "hundred" delete " and fifty"
- On page 3, line 8, of the House Engrossed bill, delete " fifty" and insert " sixty-seven"
- On page 4, line 28, of the House Engrossed bill, delete " 2021" and insert " 2022"
- On page 4, line 28, of the House Engrossed bill, delete " 2021" and insert " 2022"
- On page 4, line 29, of the House Engrossed bill, delete " 2021" and insert " 2022"

Moved by: Herman Otten  
Second by: Castleberry  
Action: Prevailed by voice vote

**MOTION: DO PASS HB 1253 AS AMENDED**

Moved by: Novstrup  
Second by: Castleberry  
Action: Failed by Majority Members Elect (3-4-0-0)

Voting Yes: Castleberry, Klumb, and Novstrup

Voting No: Herman Otten, Stalzer, Symens, and Johns

**MOTION: DEFER HB 1253 TO THE 41<sup>ST</sup> LEGISLATIVE DAY**

Moved by: Stalzer

Second by: Herman Otten  
Action: Prevailed by Majority Members Elect (4-3-0-0)

Voting Yes: Herman Otten, Stalzer, Symens, and Johns

Voting No: Castleberry, Klumb, and Novstrup

**HB 1197 : include certain costs as project costs for tax increment financing districts.**

Presented by: Representative Mike Derby, District 34  
Proponents: John Way, self, Rapid City  
Garth Wadsworth, Elevate Rapid City, Rapid City (Handout(s) 4)  
Julie M Johnson, Aberdeen Development Corporation, Aberdeen

**MOTION: DO PASS HB 1197**

Moved by: Herman Otten  
Second by: Klumb  
Action: Prevailed by Majority Members Elect (6-0-1-0)

Voting Yes: Klumb, Novstrup, Herman Otten, Stalzer, Symens, and Johns

Excused: Castleberry

**HAVING PASSED UNANIMOUSLY, THE CHAIR CERTIFIED HB 1197 AS UNCONTESTED AND AS SUCH BE PLACED ON THE CONSENT CALENDAR.**

**HB 1284 : increase household income thresholds for a paraplegic tax reduction.**

Presented by: Representative Kirk Chaffee, District 29  
Proponents: Senator Reynold Nesiba, District 15

**MOTION: AMEND HB 1284**

1284D

On page 1, line 13, of the House Taxation Engrossed bill, delete "18,500" and insert "18,501"  
On page 1, line 10, of the House Taxation Engrossed bill, delete "19,500" and insert "19,501"  
On page 1, line 13, of the House Taxation Engrossed bill, delete "21,000" and insert "21,001"  
On page 1, line 12, of the House Taxation Engrossed bill, after "18,730" insert "over "  
On page 2, line 1, of the House Taxation Engrossed bill, delete "14,000" and insert "14,001"  
On page 2, line 3, of the House Taxation Engrossed bill, delete "15,000" and insert "15,001"  
On page 2, line 2, of the House Taxation Engrossed bill, delete "17,000" and insert "17,001"  
On page 2, line 3, of the House Taxation Engrossed bill, after "14,670" insert "over "

Moved by: Herman Otten  
Second by: Symens  
Action: Prevailed by voice vote

**MOTION: DO PASS HB 1284 AS AMENDED**

Moved by: Klumb

Second by: Novstrup  
Action: Prevailed by Majority Members Elect (7-0-0-0)

Voting Yes: Castleberry, Klumb, Novstrup, Herman Otten, Stalzer, Symens, and Johns

**HAVING PASSED UNANIMOUSLY, THE CHAIR CERTIFIED HB 1284 AS UNCONTESTED AND AS SUCH BE PLACED ON THE CONSENT CALENDAR.**

**MOTION: ADJOURN**

Moved by: Klumb  
Second by: Symens  
Action: Prevailed by voice vote

Peggy Laurenz, Committee Secretary

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/s/ TIMOTHY R. JOHNS  
Timothy R. Johns, Chair