

Committee: Senate Agriculture and Natural Resources Thursday, February 16, 2023 10:00 AM

Roll Call

Present: Sen. Klumb, Sen. Larson, Sen. Mehlhaff, Sen. Novstrup, Sen. Deibert, and Sen. Herman Otten
Excused: Sen. Tobin

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Senator Herman Otten

MOTION: TO APPROVE THE MINUTES OF TUESDAY, FEBRUARY 14TH

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

SB 152 : provide increased funding for the water and environment fund.

Presented by: Senator Helene Duhamel (Handout(s) 1)
Proponents: Lindsey Riter-Rapp, South Dakota Association of Rural Water Systems, Madison
Julie M. Johnson, WEB Water, Aberdeen
Paul Lepisto, SD Division of the Izaak Walton League of America, Pierre
Gary Drewes, Pennington County Commission, Rapid City
Opponents: Hunter Roberts, Department of Agriculture and Natural Resources

MOTION: AMEND SB 152

152B

On the Introduced bill, delete everything after the enacting clause and insert:

"

Section 1. That § 34A-13-20 be AMENDED:

34A-13-20. A petroleum release compensation and tank inspection fee is imposed upon any petroleum products upon which the fuel excise tax is imposed by §§ 10-47B-5 to 10-47B-10, inclusive, 10-47B-9.1, and 10-47B-13. None of the exemptions from fuel excise tax allowed in § 10-47B-19 apply to this fee. The parties required to pay the fuel excise tax pursuant to the provisions of §§ 10-47B-21 to 10-47B-26, inclusive, and 10-47B-29 and 10-47B-31 are liable for payment of the petroleum release and tank inspection fee. In cases where the fuel is exempt from the fuel excise tax under the provisions of subdivisions 10-47B-19(1), (3), and (5), the supplier shall pay the fee. Responsibility for payment of the fee ceases if the petroleum product is sold and delivered by a licensed exporter outside of the state. The amount of the fee imposed is twenty dollars per one thousand gallons of petroleum. ~~The revenue collected pursuant to this section shall be distributed monthly in the following manner:~~

~~(1) In fiscal year 2019, fifty five percent shall be deposited in the state capital construction fund, twenty five percent shall be deposited in the ethanol fuel~~

fund, and twenty percent shall be deposited in the petroleum release compensation fund;

- (2) ~~In fiscal year 2020, sixty percent shall be deposited in the state capital construction fund, twenty percent shall be deposited in the ethanol fuel fund, nineteen percent shall be deposited in the petroleum release compensation fund, and one percent shall be deposited in the ethanol infrastructure incentive fund as created in § 10-47B-164.1;~~
- (3) ~~In fiscal year 2021, sixty-six percent shall be deposited in the state capital construction fund, fifteen percent shall be deposited in the ethanol fuel fund, eighteen percent shall be deposited in the petroleum release compensation fund, and one percent shall be deposited in the ethanol infrastructure incentive fund;~~
- (4) ~~In fiscal year 2022, seventy-two percent shall be deposited in the state capital construction fund, ten percent shall be deposited in the ethanol fuel fund, seventeen percent shall be deposited in the petroleum release compensation fund, and one percent shall be deposited in the ethanol infrastructure incentive fund; and~~
- (5) ~~Beginning in fiscal year 2023 and each year thereafter, eighty-one--and--one-half percent shall must be deposited in the state capital construction fund, seventeen percent shall must be deposited in the petroleum release compensation fund, and one--and--one-half percent shall must be deposited in the ethanol infrastructure incentive fund water and environment fund, provided in § 46A-1-60.~~

Section 2. The state treasurer must transfer all funds in the ethanol infrastructure incentive fund, provided in § 10-47B-164.1, into the water and environment fund, provided in § 46A-1-60.

Section 3. That § 5-27-4 be REPEALED:

~~In fiscal year 2019, the Bureau of Finance and Management shall transfer each month twenty one and one half percent of the monthly state capital construction fund revenues from the state capital construction fund to the ethanol fuel fund. In fiscal year 2020, the Bureau of Finance and Management shall transfer each month fifteen percent of the monthly state capital construction fund revenues from the state capital construction fund to the ethanol fuel fund. In fiscal year 2021, the Bureau of Finance and Management shall transfer each month ten percent of the monthly state capital construction fund revenues from the state capital construction fund to the ethanol fuel fund. In fiscal year 2022, the Bureau of Finance and Management shall transfer each month five percent of the monthly state capital construction fund revenues from the state capital construction fund to the ethanol fuel fund."~~

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

MOTION: DO PASS SB 152 AS AMENDED

Moved by: Klumb
Second by: Larson
Action: Prevailed by Majority Members Elect (5-0-2-0)

Voting Yes: Klumb, Larson, Mehlhaff, Deibert, and Herman Otten

Excused: Novstrup and Tobin

SB 156 : make an appropriation of American Rescue Plan Act monies for preconstruction activities of water resources in western South Dakota and to declare an emergency.

Presented by: Senator Helene Duhamel

Proponents: Lindsey Riter-Rapp, South Dakota Association of Rural Water Systems, Madison

Cheryl Chapman, Western Dakota Regional Water System, Rapid City

Julie M. Johnson, WEB Water, Aberdeen

Troy Larson, Lewis & Clark Water System, Tea

Kurt Pfeifle, South Dakota Association of Rural Water Systems, Madison

Opponents: Andy Bruels, Dept. of Agriculture and Natural Resources

MOTION: AMEND SB 156

156A

On page 1, line 2, of the Introduced bill, delete "preconstruction activities of water resources in western South Dakota" and insert "eligible water projects"

On page 1, line 6, of the Introduced bill, after "Recovery" insert " Fund"

On page 1, line 6, of the Introduced bill, delete " Department of Agriculture and Natural Resources" and insert " Board of Water and Natural Resources"

On page 1, line 7, of the Introduced bill, delete " a grant to local project sponsors for the engineering, design, and preconstruction activities of the Western Dakota Regional Water System project." and insert " grants for eligible water projects in accordance with the guidance provided in section 2 of this Act. Monies shall be provided according to the terms and conditions established by the board. "

On page 1, after line 9, of the Introduced bill, insert: "

Section 2. The board and the Department of Agriculture and Natural Resources shall comply with any federal guidance on using American Rescue Plan Act State Fiscal Recovery Fund monies to provide grants for water projects."

Moved by: Deibert

Second by: Klumb

Action: Prevailed by voice vote

MOTION: REFER SB 156 TO JOINT COMMITTEE ON APPROPRIATIONS DO PASS

Moved by: Klumb

Second by: Larson

Action: Prevailed by Majority Members Elect (5-0-2-0)

Voting Yes: Klumb, Larson, Mehlhaff, Deibert, and Herman Otten

Excused: Novstrup and Tobin

SB 184 : make an appropriation of American Rescue Plan Act monies for preconstruction activities of regional water system projects and to declare an emergency.

Presented by: Senator Herman Otten

Proponents: Troy Larson, Lewis & Clark Water System, Tea

Kurt Pfeifle, South Dakota Association of Rural Water Systems, Madison

Opponents: Andy Bruels, Dept. of Agriculture and Natural Resources

Others: Hunter Roberts, Department of Agriculture and Natural Resources

MOTION: REFER SB 184 TO JOINT COMMITTEE ON APPROPRIATIONS DO PASS

Moved by: Klumb
Second by: Herman Otten
Action: Failed by Majority Members Elect (3-3-1-0)

Voting Yes: Klumb, Novstrup, and Herman Otten

Voting No: Larson, Mehlhaff, and Deibert

Excused: Tobin

MOTION: AMEND SB 184

184A

On page 1, line 10, of the Introduced bill, after "project." delete "Section 2. There is hereby appropriated \$10,000,000 in federal fund expenditure authority, for the expenditure of American Rescue Plan Act State Fiscal Recovery monies, to the Department of Agriculture and Natural Resources, for the purpose of providing a grant to local project sponsors for the engineering, design, and preconstruction activities for expansion of the Lewis and Clark Regional Water System project."

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

MOTION: REFER SB 184 TO JOINT COMMITTEE ON APPROPRIATIONS AS AMENDED DO PASS

Moved by: Herman Otten
Second by: Klumb
Action: Was not acted on.

MOTION: SUBSTITUTE MOTION: AMEND SB 184

184B

On page 1, line 5, of the Introduced bill, delete "\$1,500,000" and insert "\$1"
On page 1, line 10, of the Introduced bill, after "project." delete "Section 2. There is hereby appropriated \$10,000,000 in federal fund expenditure authority, for the expenditure of American Rescue Plan Act State Fiscal Recovery monies, to the Department of Agriculture and Natural Resources, for the purpose of providing a grant to local project sponsors for the engineering, design, and preconstruction activities for expansion of the Lewis and Clark Regional Water System project."

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

MOTION: REFER SB 184 TO JOINT COMMITTEE ON APPROPRIATIONS AS AMENDED DO PASS

Moved by: Klumb
Second by: Larson

Action: Failed by Majority Members Elect (3-3-1-0)

Voting Yes: Klumb, Larson, and Herman Otten

Voting No: Mehlhaff, Novstrup, and Deibert

Excused: Tobin

THE CHAIR DEFERRED SB 184 UNTIL NEXT MEETING (TUESDAY FEBRUARY 21, 2023)

HB 1121 : expand the definition of a pesticide dealer.

Presented by: Senator Joshua Klumb

Proponents: Kathy Zander, South Dakota Agri-Business Association, Pierre
Brenda Forman, South Dakota Association of Cooperatives, Pierre

MOTION: DO PASS HB 1121

Moved by: Mehlhaff

Second by: Larson

Action: Prevailed by Majority Members Elect (6-0-1-0)

Voting Yes: Klumb, Larson, Mehlhaff, Novstrup, Deibert, and Herman Otten

Excused: Tobin

HAVING PASSED UNANIMOUSLY, THE CHAIR CERTIFIED HB 1121 AS UNCONTESTED AND AS SUCH BE PLACED ON THE CONSENT CALENDAR.

MOTION: ADJOURN

Moved by: Klumb

Second by: Herman Otten

Action: Prevailed by voice vote

Amber Hodgin, Committee Secretary

/s/ HERMAN OTTEN
Herman Otten, Chair