



2024 South Dakota Legislature

House Bill 1135

HOUSE AGRICULTURE AND NATURAL RESOURCES ENGROSSED

Introduced by: **Representative Peterson (Drew)**

1 **An Act to expand definitions pertaining to the purchasing of grain.**

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

3 **Section 1. That § 49-45-1.1 be AMENDED:**

4 **49-45-1.1.** Terms used in this chapter mean:

5 (1) "Business of a grain buyer," contracting to purchase grain or purchasing grain,
6 regardless of:

7 (a) Where the grain is to be delivered; or

8 (b) Where title to the grain transfers;

9 (2) "Commission," the Public Utilities Commission;

10 (3) "Contract," except as referenced in § 49-45-21, a written or oral agreement to
11 purchase grain, regardless of the:

12 (a) Timeline;

13 (b) Pricing structure; and

14 (c) Place of delivery;

15 ~~(2)(4)~~ "Grain," grain, grain sorghums, beans, pulse crops, and oil seeds. The term does
16 not include grain but not:

17 (a) Grain that has been cleaned, processed, and specifically identified for an
18 intended use of planting for reproduction, grain;

19 (b) Grain that is received for consignment that and which will be processed by
20 the consignee for an intended use of planting for reproduction, or grain

21 (c) Grain purchased to feed livestock;

22 ~~(3)(5)~~ "Grain broker," a person who is involved in the negotiation of a grain transaction
23 in this state and:

24 (a) Is compensated for that involvement by at least one party to the
25 transaction; and

26 (b) Does not take title to the grain that is subject to the transaction;

- 1 ~~(4)~~(6) "Grain buyer," any person who ~~purchases~~;
2 (a) Contracts to take title to grain;
3 (b) Purchases unprocessed grain for the purpose of reselling the ~~unprocessed~~
4 grain; ~~or who purchases~~
5 (c) Contracts to purchase at least three hundred thousand dollars' worth ~~or~~
6 ~~more of unprocessed grain directly from producers in a calendar license~~
7 year, which begins on July first and ends on June thirtieth. Nothing in this
8 chapter applies to the isolated resale of grain by a producer who does not
9 hold himself or herself out as engaging in the business of reselling grain;
10 ~~(5)~~(7) "Holds himself or herself out," the creation of an assumption or the use of any
11 kind of title, sign, symbol, document, or term indicating or conveying the idea
12 that the person whose name is so connected is competent, qualified, authorized,
13 or entitled to engage in certain activities;
14 ~~(6)~~(8) "Person," any natural person, firm, corporation, company, limited liability
15 company, partnership, association, or joint stock company, or the lessee, trustee,
16 or receiver appointed by any court for any one of the foregoing;
17 ~~(7)~~(9) "Producer," a person engaged in the business of grain production; ~~and~~
18 ~~(8)~~(10) "Unprocessed grain," grain that has not been materially altered, or otherwise
19 combined with other grains or products to render the grain only a component part
20 of a different product, provided the cleaning or screening of grain does not
21 constitute processing; and
22 (11) "Voluntary credit sale," a sale of grain or seeds pursuant to which the sale price is
23 to be paid more than thirty days after the delivery or release of the grain for sale,
24 including those contracts commonly referred to as deferred-payment contracts,
25 deferred-pricing contracts, and price-later contracts.