Department of Agriculture and Natural Resources Legislative Update

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SOUTH
DAKOTA
DEPARTMENT
of
AGRICULTURE
and NATURAL
RESOURCES

January 21, 2025

House Agriculture and Natural Resources Committee Pierre, SD

Presentation Outline

- Introductions
- Mission and Vision
- DANR Overview
- Updates
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- 2025 Legislation
- Animal Industry Board Update
- Questions

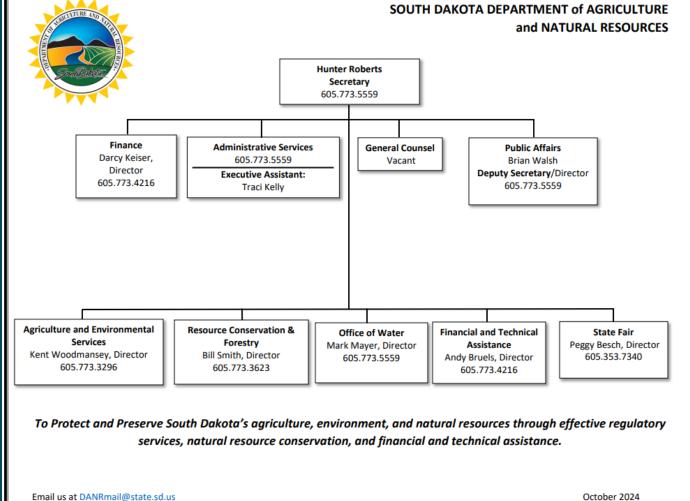


DANR Mission & Vision

- Mission To protect and preserve South Dakota's agriculture, environment, and natural resources through effective regulatory services, natural resource conservation, and financial and technical assistance
- Vision A South Dakota with a prosperous economy, diverse agricultural opportunities, clean air, clean water, and healthy families



DANR Overview





<u>DANR Overview – Office of the Secretary</u>

Office of the Secretary – Hunter Roberts, Secretary / Brian Walsh, Deputy Secretary Brian Walsh Deputy Secretary/ **Deputy Secretary** Policy, Mediation, Boards and **Public Affairs** Commissions, Media Relations, **Special Projects Finance Darcy Keiser** Director DANR Budget, Finances, Travel **General Counsel** Vacant **Legal Services**

<u>DANR Overview – Agriculture and Environmental Services</u>

Agriculture and Environmental Services – Kent Woodmansey P.E., Director					
Air Quality	Kyrik Rombough, P.E.	Program Administrator	Air Quality Permitting, Air Monitoring, Smoke School, Radon, Volkswagen Trust		
Livestock Services	Troy Roth, P.E.	Program Administrator	CAFO Permitting, Dairy and Eggs, Septic Systems		
Waste Management	Jim Wendte, P.E.	Program Administrator	Solid Waste, Hazardous Waste, Recycling, Asbestos, Pesticide Container and Waste Collection		
Inspection, Compliance, and Remediation	Terry Florentz, P.E.	Program Administrator	Spills, Tanks, Pesticide Regulations, Certification and Training, Product Registration, Hemp, Fertilizer/Soil Amendment, Feed/Animal Remedy, Rodent Control Bait, SARA Title III, Brownfields		
Minerals, Mining, and Superfund	Mike Lees	Program Administrator	Mining Permits, Mineral Exploration, Superfund, Oil and Gas, Sand and Gravel		

DANR Overview – Resource Conservation and Forestry

Resource Conservation and Forestry – Bill Smith, Director					
Forestry	Marcus Warnke	State Forester	Forest and Tree Health, Forest Management, State Forest Action Plan, Windbreaks, Urban and Community Forestry Program		
Conservation and Watershed Protection	Paul Lorenzen	Program Administrator	Conservation District Funding, Coordinated Plan for Natural Resources, Soil Health, Waterbody Assessment, Section 319, TMDLs, Harmful Algal Blooms, RBI		
Plant Industry	Brenda Sievers	Program Manager	Seed, Nursery, Cooperative Agriculture Pest Survey (CAPS), Weed & Pest Program, Weed & Pest Control Commission, State Weed Grants thru Commission, Bio Control, Quarantine, Export, Apiary (honeybees)		

<u>DANR Overview – Financial & Technical Assistance & State Fair</u>

Financial and Technical Assistance – Andy Bruels P.E., Director					
Environmental Funding	Tina McFarling, P.E.	Program Administrator	Funding for Water, Wastewater, Solid Waste, Recycling, Watershed Restoration, Petroleum Release Compensation Fund		
Geological Survey	Tim Cowman	Program Administrator, State Geologist	Natural Resources Assessment and Investigation, Aquifer Delineations, Geologic Mapping, Oil and Gas Initiative		

South Dakota State Fair – Peggy Besch, State Fairgrounds Manager				
South Dakota State Fair	Candi Briley	Assistant Manager	State Fair, State Fairgrounds, Non-fair Events, the DEX	

DANR Overview – Office of Water

Office of Water – Mark Mayer, P.E., Director					
Drinking Water	Mark McIntire, P.E.	Program Administrator	Drinking Water Standards, Operator Certification, Source Water and Wellhead Protection		
Water Quality	Aaron Ward	Program Administrator	Water Quality Standards, Discharge Permits, Stormwater		
Water Rights	Eric Gronlund, P.E.	Program Administrator, Chief Engineer	Water Right Permits, Safety of Dams, Well Construction		

International



- South Dakota Led Trade Mission to Japan/Taiwan
 - When: June 2024
 - Who: Lt. Governor Rhoden, Secretary Hunter Roberts, Commissioner Jesse Fonkert, SD Trade, Agropur, POET, MMS Products, South Dakota Biotech, South Dakota Dairy, B9 Creations, BlackFork Farms, Houdek, H-S Precision, and VRC Metal Systems
 - First trade mission to Southeast Asia in 10 years



- Japan/Taiwan Results
 - To enhance South Dakota's trading relationships with Japan and Taiwan
 - In high-level G2G meetings in Taiwan we affirmed our support of Taiwan's democracy and commitment to this key bilateral trade partnership.
 - In Japan we built on previous engagement and built critical industry connections with our largest trade partner outside of North America.







- NASDA Led Trade Mission to India
 - When: January 2025
 - Who: National Association of State Departments of Agriculture (NASDA) members from Arkansas, New Mexico, Connecticut, Montana, and South Dakota.
 - Why: Opportunity for high-level G2G meetings to build connections and promote SD products like biofuels, dairy, distillers' grains, corn, soy, oilseeds, and pulses to the India market.







National





<u>Updates – National Advocacy</u>

DANR believes the federal government should focus its resources on maintaining its core agriculture and environmental and natural resource programs – not expanding its regulatory reach through guidance and mandates.

Transition:

We are hopeful the new administration will go back to making science-based regulatory decisions allowing states to do their job to protect and preserve our agriculture, environment, and natural resources for our kids and grandkids!



Updates – National Advocacy

- Environmental Council of the States (ECOS) 2024
 - Passed a proposal at ECOS to support 10-year NPDES permits
 - Amending the federal Clean Water Act 33 U.S.C. 1342(b)(1)(B) to indicate NPDES permits "are for fixed terms not exceeding 10 years"
 - This change would allow states flexibility to set an appropriate permit length up to 10 years
- National Association on State Departments of Agriculture (NASDA)
 - Planning to introduce policy to strengthen the support for biofuel production in the United States and open opportunities for trade.



State



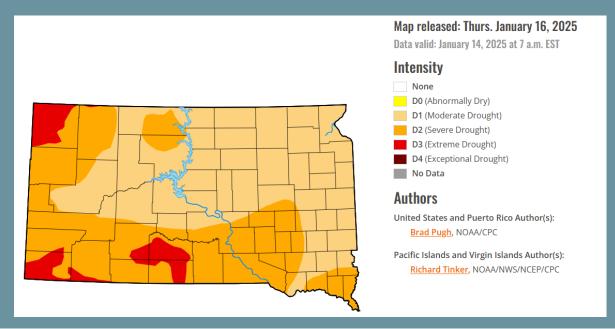


<u>Update – Ag Production</u>

- According to the National Agricultural Statistics Service (NASS), SD has reported consistent crop production from a year ago
 - Corn harvested 873 million bushels (approximate forecast as of November) (up 2%)
 - Soybeans harvested 243 million bushels (approximate forecast as of November) (up 9%)
- Although production has been positive, producers faced many challenges in 2024
 - Low commodity prices
 - Increasing cost of production
 - Flood
 - Drought



2024 Update- Drought



Statistics

	? ?	Export Table 🔻	View M	ore Statistics			
Date	None	D0-D4	D1-D4	D2-D4	D3-D4	D4	<u>DSCI</u>
2025-01-14	0.00	100.00	100.00	46.95	6.51	0.00	253
2025-01-07	0.00	100.00	100.00	46.95	6.51	0.00	253
2024-10-15	0.00	100.00	79.60	35.30	4.72	0.00	220
2024-12-31	0.00	100.00	100.00	46.95	6.51	0.00	253
2024-10-01	13.28	86.72	41.08	12.57	1.85	0.00	142
2024-01-16	72.11	27.89	3.53	0.00	0.00	0.00	31
	2025-01-14 2025-01-07 2024-10-15 2024-12-31 2024-10-01	Date None 2025-01-14 0.00 2025-01-07 0.00 2024-10-15 0.00 2024-12-31 0.00 2024-10-01 13.28	Date None D0-D4 2025-01-14 0.00 100.00 2025-01-07 0.00 100.00 2024-10-15 0.00 100.00 2024-12-31 0.00 100.00 2024-10-01 13.28 86.72	Date None D0-D4 D1-D4 2025-01-14 0.00 100.00 100.00 2025-01-07 0.00 100.00 100.00 2024-10-15 0.00 100.00 79.60 2024-12-31 0.00 100.00 100.00 2024-10-01 13.28 86.72 41.08	Date None D0-D4 D1-D4 D2-D4 2025-01-14 0.00 100.00 100.00 46.95 2025-01-07 0.00 100.00 100.00 46.95 2024-10-15 0.00 100.00 79.60 35.30 2024-12-31 0.00 100.00 100.00 46.95 2024-10-01 13.28 86.72 41.08 12.57	Date None D0-D4 D1-D4 D2-D4 D3-D4 2025-01-14 0.00 100.00 100.00 46.95 6.51 2025-01-07 0.00 100.00 100.00 46.95 6.51 2024-10-15 0.00 100.00 79.60 35.30 4.72 2024-12-31 0.00 100.00 100.00 46.95 6.51 2024-10-01 13.28 86.72 41.08 12.57 1.85	Date None D0-D4 D1-D4 D2-D4 D3-D4 D4 2025-01-14 0.00 100.00 100.00 46.95 6.51 0.00 2025-01-07 0.00 100.00 100.00 46.95 6.51 0.00 2024-10-15 0.00 100.00 79.60 35.30 4.72 0.00 2024-12-31 0.00 100.00 100.00 46.95 6.51 0.00 2024-10-01 13.28 86.72 41.08 12.57 1.85 0.00

Estimated Population in Drought Areas: 814,180



<u>Update – Waters of the State</u>

- The 2023 ruling in the U.S. Supreme Court case Sackett v. EPA narrowed federal jurisdiction of "waters" which is now limited to wetlands that are "indistinguishable" from navigable waters.
- Wetlands determined to be non-jurisdictional at the federal level are still considered "waters of the state" in SDCL, but no state permitting program exist.
- DANR recognizes the regulatory gap created by the Sackett ruling and is currently working to address this issue. We will seek stakeholder involvement to ensure any regulatory solution works for South Dakota.



Update - ARPA Funding

- In 2022, the legislature enacted SB 62, appropriating \$600 million of ARPA funds to provide grants for eligible infrastructure projects
- In 2024, the legislature enacted SB 53, appropriating an additional \$89,384,221 of ARPA grant funds to provide to existing ARPA funded projects with regional impacts
- As of December 31, 2024, all \$689,384,221 was awarded, to 200 projects. These projects received more than \$1 billion in low-interest loans to complete the funding package
- Through January 10, 2025, more than \$403.6 million of ARPA grant funds have been expended



<u>Update - Riparian Buffer Initiative</u>

- HB 1256 (2021) Appropriated \$3,000,000 in general funds for restoration of the Big Sioux River Watershed
- Developed the Riparian Buffer Initiative (RBI) initial efforts to enroll landowners not successful
- We adjusted the program in the fall of 2023 by:
 - Increasing RBI payments (250% of NASS rental rate)
 - Increasing eligible stream criteria (DANR discretion)
 - Adding additional incentive on top of RBI for CRP/CREP (120% of CRP rental rate) and RAM/SRAM stack
 - Cost sharing for the construction of animal waste management systems to prevent runoff
 - Direct landowner outreach-1,300 landowner mailings sent out in Oct. 2023



<u>Update - Riparian Buffer Initiative</u> <u>Big Sioux River Watershed</u>

Big Sioux River Watershed Riparian Buffers

- Currently 39 RBI contracts in place = 653.12 acres (234,960 linear feet)
 - Investment = \$1,275,752
- Signups in development:
 - 26 new signups in development (acreage and cost available for 20 projects)
 - Those 20 projects in development cover approximately 770.64 acres (285,696 linear feet) in the Big Sioux River watershed
 - Estimated investment = \$1,715,200

As of December 31, 2024



<u>Update - Riparian Buffer Initiative</u> <u>Statewide</u>

Statewide Riparian Buffers

- Currently 12 RBI contracts in place = 656.50 acres (241,368 linear feet)
 - Investment = \$1,155,092.01
- Signups in development:
 - 21 new signups in development (acreage and cost available for 19 projects)
 - Those 19 projects in development cover approximately 1,599 acres (610,600 linear feet) statewide
 - Estimated investment = \$2,610,035

As of December 31, 2024



<u>Update – The Black Hills National</u> <u>Forest</u>

- The Black Hills National Forest is nearly two years into their Land & Resource Management Plan (LRMP) revision, with little progress occurring over the past year.
- Disputes over the amount of available timber for harvest has led to the acquisition of high point density LiDAR, paired with ~1,700 physical ground-truthing plots to provide new data on forest stand structures.



<u>Update – The Black Hills National</u> <u>Forest</u>

- Current timber harvest projections from the Black Hills for 2025 will likely result in additional sawmill closures, further limiting the ability to manage forest resources on the National Forest.
- DANR, acting as the cooperating agency on behalf of South Dakota, has assembled a workgroup of South Dakota subject matter experts to engage on the multiple resource concerns addressed in the Black Hills LRMP.



Update - Sharda

- Sharda USA manufactured and sold an herbicide called "Compensa" which was mislabeled and included Imazapyr, a soil sterilizer.
- The product was applied to approximately 20,000 acres of soybeans in South Dakota causing significant damage.
- DANR quickly reacted to the incident and sent Sharda a Notice of Intent to Cancel South Dakota Registration of Compensa.
- DANR continues to monitor the situation and evaluate enforcement options to ensure impacted producers are taken care of by Sharda.



Update - Chlorpyrifos

- In 2024 Red Sunflower Seed Weevil in sunflowers continues to be an issue with resistance to pyrethroid chemistries.
- In November 2023 Eighth Circuit Court of Appeals overturned Ninth Circuit's 2021 ruling and directed EPA to end the ban and consider use of chlorpyrifos on 11 crops identified in the 2020 Chlorpyrifos Proposed Interim Decision



Update - Chlorpyrifos

- Sunflowers are not one of the 11 crops (alfalfa, soybeans and wheat are included)
- DANR is working with the EPA to get a 24c
 Special Local Need label for Malathion to control the resistant red sunflower weevil in SD in 2025.
- DANR continues to meet with EPA and SDSU Extension to determine what additional options will be available for our sunflower producers in 2025.



Update - The SHED

- HB 1231 (2024) provided \$4 million in general funds and \$4 million in other fund expenditure authority to design and construct The SHED at the State Fair.
- The SHED will allow for Open Class Sheep shows during the fair and serve as a multi-purpose facility during the non-fair time.
- Timeline:
 - Construction began in October 2024.
 - The anticipated completion date is July 2025 ready for use at the 2025 State Fair.



Update- The SHED







2025 Legislation

	DANR 2025 Appropriation Bills
SB 33	An Act to make appropriations for water and environmental purposes and to declare an emergency. (Omnibus Water Bill)
HB 1021	An Act to modify the annual fee for concentrated animal feeding operations and to establish a fee.

	DANR 2025 Policy Bills
HB 1022	An Act to prohibit the misbranding and define cell-cultured protein products.
SB 34	An Act to update the roles of the Department of Agriculture and Natural Resources and the Department of Public Safety regarding burning and burn permit issuing authority.

2025 Legislation

	DANR 2025 – Bills we are watching
SB 14	An Act to revise and repeal provisions related to agricultural production facilities and to provide a penalty therefor.
SJR 501	Providing legislative approval for a future use water permit application by the Western Dakota Regional Water System.

Animal Industry Board Update



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Dr. Beth Thompson State Veterinarian

Questions?

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