

2026 South Dakota Legislature

House Bill 1267**AMENDMENT 1267C
FOR THE INTRODUCED BILL**

1 **An Act to require statewide livestock ownership inspection.**

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

3 **Section 1. That § 40-18-2 be AMENDED:**

4 **40-18-2.** At least three of the five members of the board ~~shall~~ must be persons
5 who derive the major portion of their income from the livestock business and who are
6 owners of brands duly recorded with the board. ~~At least three of the five members of the~~
7 ~~board shall reside in the livestock ownership inspection areas.~~ No appointed member may
8 act as a member of the board while holding an elective or appointive state or federal office.
9 No more than three of the members ~~shall~~ may be of any one political party.

10 **Section 2. That § 40-18-15 be AMENDED:**

11 **40-18-15.** The board may inspect all livestock moved within ~~the South Dakota~~
12 ~~livestock ownership inspection area and all livestock leaving the South Dakota livestock~~
13 ~~ownership inspection area~~ this state and all livestock leaving this state for the purpose of
14 determining the proper ownership and brands, if any, of ~~such~~ the livestock, and shall have
15 general charge, supervision, and custody of all instruments, records, and files in
16 connection with ~~such~~ these ownership inspection activities.

17 **Section 3. That § 40-18-16 be AMENDED:**

18 **40-18-16.** The board may promulgate rules, pursuant to chapter 1-26, to:
19 (1) Describe prohibited brand symbols for various types of livestock and identify
20 locations on animals where a brand is permitted;
21 (2) Provide for the registration, transfer, and renewal of livestock brands;
22 (3) Establish a brand registration fee not to exceed fifty dollars;
23 (4) Establish a brand renewal fee not to exceed eighteen dollars per year or a brand
24 renewal fee not to exceed ninety dollars for each five-year ownership period ~~and~~;

- 1 (5) Establish a brand transfer fee not to exceed fifty dollars;
- 2 ~~(5)(6)~~ Establish an ownership inspection fee not to exceed one dollar for each head of
- 3 livestock;
- 4 ~~(6)(7)~~ Establish recordable livestock brands;
- 5 ~~(7)(8)~~ Establish law enforcement, ownership inspection, and transportation
- 6 requirements ~~within or without the ownership inspection area~~;
- 7 ~~(8)(9)~~ Establish a duplicate certificate fee not to exceed twenty dollars;
- 8 ~~(9)(10)~~ Establish a mileage fee for inspectors not to exceed the rate set pursuant to
- 9 § 3-9-1; ~~and~~
- 10 ~~(10)(11)~~ Establish an inspection fee for livestock located outside the ownership
- 11 inspection area this state, not to exceed one dollar for each head of livestock; and
- 12 ~~(11)(12)~~ Establish a brand registration application fee not to exceed fifty dollars.

13 **Section 4. That § 40-18-17 be AMENDED:**

14 **40-18-17.** ~~The Brand Board board~~ shall provide for the registration of livestock

15 brands, for the inspection of livestock for ownership identification purposes, and for the

16 enforcement of laws pertaining to the inspection, sale, branding, ownership,

17 transportation, and theft of livestock ~~within the ownership inspection area and the~~ this

18 state.

19 The board shall conduct outreach and education activities to counties not

20 previously included under inspection requirements before the transition to mandatory

21 statewide inspection on July 1, 2029.

22 **Section 5. That § 40-19-10.1 be AMENDED:**

23 **40-19-10.1.** No person may bring cattle branded with a brand registered in

24 another state into ~~the ownership inspection area~~ this state for grazing or feeding purposes

25 without a permit authorized by the board. If the brand is a duplicate of or conflicts with a

26 brand issued pursuant to this chapter, a permit may only be issued at the discretion of

27 the board. No permit is required if the cattle are rebranded with a brand registered

28 pursuant to this chapter. The application for a permit ~~shall~~ must be on a form approved

29 by the board and ~~shall~~ be signed by the owner of the cattle. Any calves born to cattle

30 ~~which~~ that are subject to the permit may be branded with the out-of-state brand upon

31 prior written notice to the board. The calves ~~shall~~ must be added to the permit. No cattle

32 or calves subject to the permit may be removed from ~~the ownership inspection area~~ this

33 state, sold, or slaughtered without an ownership inspection.

1 No person may brand any cattle imported into or purchased within ~~the ownership~~
2 ~~inspection area~~ this state for feeding purposes with a brand registered in another state
3 without a permit authorized by the board. No permit may be issued if the brand is a
4 duplicate of or conflicts with a brand issued pursuant to this chapter. The application for
5 a permit ~~shall~~ must be signed by the owner of the cattle. No cattle subject to the permit
6 may be removed from ~~the ownership inspection area~~ this state, sold, or slaughtered
7 without an ownership inspection.

8 Cattle purchased at a licensed livestock auction market in ~~the ownership inspection~~
9 ~~area~~ this state may be branded with the owner's out-of-state brand if the cattle are
10 branded at the market, are purchased for export from ~~the~~ this state within two calendar
11 days of purchase, and an authorization form is obtained from the board prior to branding
12 the cattle.

13 A violation of this section is a Class 1 misdemeanor.

14 **Section 6. That § 40-20-4 be AMENDED:**

15 **40-20-4.** Except as otherwise provided in this chapter, it is a Class 2 misdemeanor
16 to remove or authorize the removal of livestock from ~~any point within the livestock~~
17 ~~ownership inspection area, to any point within one mile of the border with a destination~~
18 ~~outside the ownership inspection area~~ this state, unless the livestock have been inspected
19 for ownership and the shipper possesses the local ownership inspection certificate, market
20 clearance, shipper's permit, or other form of authorization required by the board.

21 Except as otherwise provided in § 40-20-29, a local ownership inspection certificate
22 is valid for the transportation of livestock, other than horses, out of ~~the livestock ownership~~
23 ~~inspection area~~ this state for twenty-four hours after the time of the inspection, as noted
24 on the inspection certificate. In the case of horses, the certificate is valid for thirty days
25 after the date of the inspection, as noted on the certificate.

26 If there is no valid local ownership inspection certificate, the livestock must be
27 inspected before leaving ~~the ownership inspection area~~ this state.

28 Livestock being removed from ~~the ownership inspection area~~ this state, without
29 authorization from the board, may be impounded by any law enforcement officer, until
30 the livestock are inspected for ownership by an inspector.

31 The venue for the prosecution of any offense under this section is the county where
32 the livestock were loaded, or any county through which the livestock were transported or
33 trailed.

1 Any livestock being transported to a destination outside ~~the ownership inspection~~
2 ~~area~~ this state must be inspected for ownership if they cease to be in the custody of the
3 carrier at any time prior to leaving ~~the ownership inspection area~~ this state.

4 Any livestock shipper within ~~the livestock ownership inspection area~~ this state
5 wanting livestock inspected, as provided in this section, shall notify an inspector in
6 advance of the inspection and allow the inspector reasonable time to provide the
7 inspection.

8 **Section 7. That § 40-20-4.1 be AMENDED:**

9 **40-20-4.1.** Notwithstanding the provisions of § 40-20-4, an owner of any livestock
10 who wishes to move the livestock out of ~~the ownership inspection area~~ this state for any
11 purpose other than sale or trade of the livestock may obtain a written permit from the
12 board for movement of the livestock. The written permit ~~shall remain~~ is in effect for the
13 life of the livestock described, or for a specific term, and it is void if the livestock changes
14 ownership. The fee for the permit ~~shall~~ must be established by rules promulgated pursuant
15 to chapter 1-26. The permit fee includes the costs of any inspection and the fee imposed
16 under the provisions of § 40-18-16. A permit for the transportation of horses and mules
17 may be authorized by the board pursuant to § 40-18-16.

18 **Section 8. That § 40-20-5 be AMENDED:**

19 **40-20-5.** If the border of ~~the livestock ownership inspection area of South Dakota~~
20 this state divides any ranch or farm, written permission may be given by the board to the
21 owner or lessee of the ranch or farm to trail livestock out of ~~the South Dakota inspection~~
22 ~~area~~ this state for grazing purposes without inspection. ~~The border of the South Dakota~~
23 ~~inspection area shall be contiguous to an inspection area of an adjacent state.~~ The board
24 may cancel ~~such~~ permission at any time subject to the provisions of chapter 1-26.

25 **Section 9. That § 40-20-18 be AMENDED:**

26 **40-20-18.** Any person in charge or control of any motor vehicle transporting
27 livestock from any point within ~~the livestock ownership inspection area~~ this state
28 must, upon demand of any state law enforcement officer, exhibit to the officer
29 authorization as required pursuant to § 40-20-4. It is a Class 2 misdemeanor for any
30 person not to be in possession of ~~such~~ any authorization ~~if required by the provisions of~~
31 this section.

1 **Section 10. That § 40-20-26 be AMENDED:**

2 **40-20-26.** It is a Class 1 misdemeanor for any licensed livestock auction market
3 in ~~the livestock ownership inspection area~~ this state to allow ~~any~~ livestock, brought into
4 the yards of the market for the purpose of sale, to leave the yards ~~until first~~ without being
5 inspected for ownership. ~~However, if~~ If a shipment of livestock arrives at any auction
6 market ~~in the ownership inspection area~~ after daylight hours, facilities ~~shall~~ must be made
7 available to yard ~~such livestock separate and apart~~ that shipment of livestock separately
8 from any other livestock. The auction market may sell ~~such livestock~~ from that shipment
9 that night, but ~~livestock so sold shall~~ any of the livestock sold must be returned to the
10 separate yard facilities, and may not be removed ~~therefrom~~ until an ownership inspection
11 has been made. The livestock ownership inspector may, ~~in his discretion,~~ reinspect the
12 livestock before they leave the yards of the auction market.

13 **Section 11. That § 40-20-26.1 be AMENDED:**

14 **40-20-26.1.** It is a Class 2 misdemeanor for any person to sell or to transfer
15 ownership of any livestock within ~~the livestock ownership inspection area~~ this state without
16 first obtaining an ownership inspection, except as provided in ~~§ 40-20-26~~ §§ 40-20-26
17 and 40-20-26.2.

18 **Section 12. That § 40-20-26.2 be AMENDED:**

19 **40-20-26.2.** Notwithstanding § 40-20-26.1, ownership of livestock with the
20 seller's South Dakota recorded and healed brand or the owner's unbranded livestock may
21 be transferred by means of an authorized bill of sale, without a brand inspection. The bill
22 of sale must be on a form prescribed by the board. A copy of the bill of sale must be
23 forwarded to the board.

24 An authorized bill of sale is not a substitute for the inspection of livestock being
25 removed from ~~the ownership inspection area~~ of this state.

26 An authorized bill of sale may not be used to transfer ownership of more than five
27 head of livestock to any one buyer. Multiple authorized bills of sale may not be executed
28 to subdivide numbers of livestock greater than five to any one buyer.

29 A violation of this section is a Class 2 misdemeanor.

30 **Section 13. That § 40-20-29 be AMENDED:**

1 **40-20-29.** It is a Class 1 misdemeanor for any person to slaughter or process
2 livestock commercially within ~~the livestock ownership inspection area until~~ this state
3 unless the livestock have received an ownership inspection and the certificate of ~~such the~~
4 inspection is filed and is made a part of that person's permanent records, or unless the
5 person has the hide of each slaughtered carcass available for inspection. An ownership
6 ~~brand~~ inspection certificate on livestock is valid for no longer than four days from the date
7 of issue. Livestock arriving at a slaughter destination later than four days from the date
8 indicated on the inspection certificate ~~shall~~ must be inspected and the fee collected. All
9 certificates of ownership inspection ~~shall, at any time~~ must, upon demand, be displayed
10 to any state law enforcement officer or to the board.

11 **Section 14. That § 40-20-32 be AMENDED:**

12 **40-20-32.** Any person who operates a drylot cattle feeding operation, within the
13 confines of permanently fenced lots ~~and within the ownership inspection area,~~ may apply
14 to the board for designation as a registered feedlot. The board shall prescribe a form for
15 this purpose. Upon receipt of an application and within thirty days, the board may grant
16 a permit if ~~the following requirements are satisfied:~~

- 17 (1) The operator's feedlot is a permanently fenced drylot;
- 18 (2) The operator commonly practices feeding cattle to finish for slaughter; and
- 19 (3) The operator brands all cattle carrying mixed brands, held under common
20 ownership, with a registered brand or a ~~feedlot assigned~~ feedlot-assigned brand
21 approved by the board.

22 **Section 15. That § 40-20-37 be AMENDED:**

23 **40-20-37.** It is a Class 1 misdemeanor for any buyer of livestock at a licensed
24 livestock auction market ~~in the ownership inspection area,~~ or any person on the buyer's
25 behalf, to remove any livestock from the market until the livestock have been inspected
26 for ownership as provided in § 40-20-26.

27 **Section 16. That § 40-20-39 be AMENDED:**

28 **40-20-39.** Livestock that is removed from ~~the ownership inspection area~~ this state
29 in violation of this chapter may be inspected at any ~~place outside the inspection area~~
30 location and the fee collected for the inspection. The inspection does not exempt any
31 person from prosecution for violation of the inspection laws.

1 **Section 17. That § 40-21-10 be AMENDED:**

2 **40-21-10.** If any livestock, inspected under the provisions of this chapter or
3 chapter 40-20 bears an unrecorded brand, or a recorded brand other than the brand of
4 the person selling the livestock or transporting the livestock out of ~~the ownership~~
5 ~~inspection area~~ this state, and does not bear the recorded brand of ~~such~~ the person, then
6 the person selling or transporting the livestock shall ~~be required to~~ establish ownership to
7 the livestock, by presenting to the livestock ownership inspector a witnessed bill of sale
8 to the animal or by other satisfactory evidence of ownership which may include an affidavit
9 of ownership signed by the person selling or transporting the livestock and witnessed by
10 the ownership inspector. If any livestock listed on the original bill of sale or affidavit of
11 ownership are not sold or transported out of ~~the ownership inspection area~~ this state, the
12 inspector ~~shall~~ must pick up the ownership documents and issue a receipt showing the
13 number of livestock sold or transported and the number remaining. If any livestock are
14 unbranded, the inspector ~~may~~ must require the shipper or seller to establish ownership
15 by presenting to the inspector an affidavit of ownership. Only an original bill of sale or
16 affidavit of ownership is valid for proof of ownership. Any bill of sale or affidavit ~~shall~~ must
17 be notarized or signed by two witnesses.

18 **Section 18. That § 40-21-11 be AMENDED:**

19 **40-21-11.** If any livestock inspected under ~~the provisions of~~ this chapter or
20 chapter 40-20 bears the recorded brand of the seller or the person transporting the
21 livestock out of ~~the ownership inspection area~~ this state, and also bears a recorded brand
22 of another person, then the seller or the person transporting the livestock out of ~~the~~
23 ~~ownership inspection area~~ this state may be required, at the discretion of the livestock
24 ownership inspector, to establish ownership to the livestock by presenting to the
25 ownership inspector satisfactory evidence of ownership.

26 **Section 19. That § 40-21-12.1 be AMENDED:**

27 **40-21-12.1.** If the person transporting livestock out of ~~the ownership inspection~~
28 ~~area~~ this state, as described in § 40-21-10 or 40-21-11, fails to establish ownership of
29 any livestock, the board may hold the livestock. If a hold has been placed on the livestock,
30 it is a Class 1 misdemeanor for the person to remove the livestock from ~~the ownership~~
31 ~~inspection area~~ this state or sell the livestock before the board has cleared the hold for
32 release. Any livestock hold continuing beyond sixty days ~~shall~~ must be forwarded by the

1 inspector to the board for review and final disposition, which may include clarification,
2 settlement, or payment related to proper ownership.

3 **Section 20. That § 40-22-12 be AMENDED:**

4 ~~40-22-12.~~ Any person slaughtering or processing livestock ~~outside the ownership~~
5 ~~inspection area shall~~ must, upon demand of any state law enforcement officer, provide
6 names and dates of persons who delivered livestock for slaughter ~~that may have~~
7 ~~originated from within the ownership inspection area.~~

8 **Section 21. That § 40-20-1 be REPEALED.**

9 ~~The South Dakota livestock ownership inspection area consists of all of that part of~~
10 ~~the State of South Dakota lying within the following counties: Harding, Butte, Lawrence,~~
11 ~~Pennington, Custer, Fall River, Perkins, Meade, Oglala Lakota, Corson, Dewey, Ziebach,~~
12 ~~Haakon, Stanley, Jackson, Jones, Mellette, Bennett, Todd, Lyman, Tripp, and Gregory.~~

13 **Section 22. That § 40-20-2 be REPEALED.**

14 ~~Any county contiguous to the livestock ownership inspection area may become a~~
15 ~~part of such area upon a petition signed by a majority of the owners of livestock residing~~
16 ~~within such county to be attached, which shall be presented to the board. The board shall,~~
17 ~~in its discretion, either reject or approve such petition at its next regular or special~~
18 ~~meeting. No area in the brand inspection area may be smaller than a county.~~

19 **Section 23. That § 40-20-3 be REPEALED.**

20 ~~Any county which has become a part of the livestock inspection area by petition~~
21 ~~and which adjoins a noninspection area may withdraw from the inspection area by a~~
22 ~~petition requesting withdrawal. The petition shall be signed by a majority of the owners~~
23 ~~of livestock in the county seeking withdrawal. The petition shall be filed with the board.~~
24 ~~The board shall at its next regular or special meeting enter a resolution approving the~~
25 ~~withdrawal, which action removes the county described in the petition from the ownership~~
26 ~~inspection area. No area seeking withdrawal may be smaller than a county.~~

27 **Section 24. That § 40-20-6 be REPEALED.**

28 ~~Subject to the conditions set forth in §§ 40-20-7 to 40-20-12, inclusive, if livestock~~
29 ~~is transported or trailed to a designated inspection point outside the livestock ownership~~

1 ~~inspection area designated by the board as an open market, no livestock ownership~~
2 ~~inspection is required at point of origin.~~

3 **Section 25. That § 40-20-7 be REPEALED.**

4 ~~In lieu of an ownership inspection, any person who intends to remove livestock~~
5 ~~from the livestock ownership inspection area for the purpose of sale or slaughter may~~
6 ~~obtain a shipper's permit from the board or its authorized agent for the transportation of~~
7 ~~livestock to a previously designated open market or slaughter plant pursuant to § 40-18-~~
8 ~~16. The permit may be obtained forty eight hours in advance of shipment from an~~
9 ~~authorized agent of the board.~~

10 **Section 26. That § 40-20-7.1 be REPEALED.**

11 ~~A market clearance is valid for transporting livestock out of the ownership~~
12 ~~inspection area only if the transportation originates at the market where the livestock~~
13 ~~were inspected. If the livestock are unloaded or held at any other location other than the~~
14 ~~market of origin, they shall be reinspected for ownership immediately prior to further~~
15 ~~transportation.~~

16 **Section 27. That § 40-20-10 be REPEALED.**

17 ~~If authorization is required, it is a Class 2 misdemeanor for a carrier or owner to~~
18 ~~transport livestock from the livestock ownership inspection area or to within a mile of the~~
19 ~~border with a destination outside the livestock ownership inspection area unless the carrier~~
20 ~~or owner is in possession of authorization by the board.~~

21 **Section 28. That § 40-20-10.1 be REPEALED.**

22 ~~If livestock have been shipped to an open market and no authorization for the~~
23 ~~transportation of such livestock has been obtained, the proceeds of the sale of such~~
24 ~~livestock shall be held in trust by the operators of the open market until the board~~
25 ~~authorizes the release of the proceeds.~~

26 **Section 29. That § 40-20-12 be REPEALED.**

27 ~~If livestock shipped from the livestock ownership inspection area are consigned to~~
28 ~~an open market, as described in § 40-20-6, it is a Class 2 misdemeanor for any person to~~
29 ~~change the consignment to a point other than a livestock market previously designated~~

1 ~~by the board as an open market, unless the livestock receive a livestock ownership~~
2 ~~inspection and the carrier receives a certificate or clearance from the board showing that~~
3 ~~all the livestock belong to the shipper.~~

4 **Section 30. That § 40-21-5 be REPEALED.**

5 ~~To facilitate the inspection of livestock and the enforcement of chapters 40-18 to~~
6 ~~40-22, inclusive, any livestock market, slaughter facility, or inspection point, whether~~
7 ~~within or without the State of South Dakota, that meets the criteria established by the~~
8 ~~board may be designated by the board as an open market. The board shall establish~~
9 ~~criteria for designating an open market and for revoking open market status by rules~~
10 ~~promulgated pursuant to chapter 1-26. Criteria may include distance from the livestock~~
11 ~~ownership inspection area, the number of head inspected annually, compliance by the~~
12 ~~market with ownership inspection laws, adequacy of the facilities, economic feasibility,~~
13 ~~and compliance with the open market agreement. Any livestock market, slaughter facility,~~
14 ~~or inspection point designated as an open market by the board shall enter into an open~~
15 ~~market agreement with the board on such terms and conditions as may be necessary for~~
16 ~~proper brand inspection in accordance with the brand inspection laws and regulations of~~
17 ~~this state and of the state in which the livestock market, slaughter facility, or inspection~~
18 ~~point is located.~~

19 **Section 31. This Act is effective beginning July 1, 2029.**