

# State of South Dakota

NINETY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 2017

777Y0624

SENATE AGRICULTURE AND NATURAL RESOURCES

ENGROSSED NO. **HB 1157** - 3/2/2017

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.**

Introduced by: Representatives Qualm and Haggar and Senator Greenfield (Brock)

1 FOR AN ACT ENTITLED, An Act to create the agriculture future development fund, to  
2 provide for its administration, to establish the agriculture future development committee,  
3 and to provide funding for certain programs and projects.

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

5 Section 1. That chapter 1-16G be amended by adding a NEW SECTION to read:

6 There is hereby created in the state treasury the agriculture future development fund. Interest  
7 earned on money in the fund shall be deposited in the fund. Any money in the fund is  
8 continuously appropriated to the Governor's Office of Economic Development. Any money  
9 deposited into and distributed from the fund shall be set forth in an informational budget as  
10 described in § 4-7-7.2.

11 Section 2. That chapter 1-16G be amended by adding a NEW SECTION to read:

12 The Board of Economic Development shall administer the agriculture future development  
13 fund for the purpose of making grants or loans to promote the use of modern technology and  
14 farming practices or promote the use of South Dakota agricultural products at the regental



1 system or the technical institutes.

2 Section 3. That chapter 1-16G be amended by adding a NEW SECTION to read:

3 In connection with the administration of the agriculture future development fund, the Board  
4 of Economic Development may, pursuant to chapter 1-26, promulgate rules to implement the  
5 provisions of sections 1 and 2 of this Act that include:

- 6 (1) Setting the application procedures for applying for loans or grants from the fund;
- 7 (2) Establishing criteria to determine which applicants may receive loans or grants;
- 8 (3) Governing the use of proceeds of the loans or grants; and
- 9 (4) Establishing criteria for the terms and conditions upon which the loans or grants shall  
10 be made, including the terms of security given, if any, to secure the loans.

11 Section 4. That chapter 1-16G be amended by adding a NEW SECTION to read:

12 An agriculture future development committee shall be appointed to make agriculture future  
13 development funding recommendations to the Board of Economic Development. The  
14 agriculture future development committee shall be within the Governor's Office of Economic  
15 Development, which shall exercise administrative functions. The membership of the committee  
16 shall include:

- 17 (1) Three members of the Board of Economic Development appointed by the chair of the  
18 board;
- 19 (2) Two members appointed by the speaker of the House of Representatives. One  
20 member shall represent a livestock association and one member shall represent a crop  
21 association; and
- 22 (3) Two members appointed by the president pro tempore of the Senate. One member  
23 shall represent a livestock association and one member shall represent a crop  
24 association.

1 The members of the committee provided in subdivisions (2) to (3), inclusive, shall be  
2 appointed to four-year terms of office. The initial terms shall be staggered with two members  
3 appointed to two-year terms of office as determined by the speaker and president pro tempore  
4 so that no more than two members' terms expire in any given year. The speaker and president  
5 pro tempore shall confer before making any appointment to ensure no more than one member  
6 is appointed from an association and that all the members representing either the crop  
7 associations or the livestock associations do not expire in the same year. Not all members may  
8 be from the same political party. Any member appointed to fill a vacancy arising from other than  
9 the natural expiration of a term shall serve only the unexpired portion of the term.

10 Section 5. That chapter 1-16G be amended by adding a NEW SECTION to read:

11 In fiscal year 2018, the state treasurer shall transfer from the agriculture future development  
12 fund the amount available in the fund, not to exceed three million three hundred fifty thousand  
13 dollars, to the state animal disease research and diagnostic laboratory bond redemption and  
14 operations fund. Each year thereafter, the state treasurer shall annually transfer from the  
15 agriculture future development fund the sum of three million three hundred fifty thousand  
16 dollars to the state animal disease research and diagnostic laboratory bond redemption and  
17 operations fund for the construction, reconstruction, renovation, demolition, and modernization  
18 of facilities and related infrastructure at the State Animal Disease Research and Diagnostic  
19 Laboratory on the campus of South Dakota State University.

20 Section 6. Section 5 of this Act is repealed on the first day of the month following a  
21 determination by the Animal Industry Board that bonds issued for the State Animal Disease  
22 Research and Diagnostic Laboratory are satisfied and paid in full.