

# State of South Dakota

SEVENTY-FOURTH SESSION  
LEGISLATIVE ASSEMBLY, 1999

345C0542

## SENATE BILL NO. 120

Introduced by: Senators Olson, Benson, Daugaard, Dennert, and Symens and Representatives Jaspers, Burg, Chicoine, Crisp, Fischer-Clemens, Fryslie, Haley, Kazmerzak, Nachtigal, Patterson, and Waltman

1 FOR AN ACT ENTITLED, An Act to authorize REDI fund loans for certain value-added  
2 agricultural projects and activities.

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

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

6 At least twenty-five percent of the assets available for loans from the revolving economic  
7 development and initiative fund shall be used for projects or activities that will be engaged in or  
8 promote value-added agriculture. For purposes of this Act, the term, value-added agriculture,  
9 means the initial or subsequent treatment, processing, storing, or transporting of any form of raw  
10 or processed agricultural commodity, product, or by-product to maximize value added before  
11 delivery to national or international markets. Value-added agriculture facilitates the retention of  
12 agricultural commodities and products in this state for the maximum feasible time span during  
13 the life cycle, use, or consumption of the commodity or product.

14 Section 2. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as  
15 follows:

16 The Board of Economic Development shall promulgate rules pursuant to chapter 1-26 to

1 make loans from the revolving economic development and initiative fund for value-added  
2 agricultural projects and activities pursuant to section 1 of this Act. The rules shall establish  
3 criteria for the qualification, application, payment, and repayment of funds. Such criteria shall  
4 be appropriate to the needs and characteristics of value-added agricultural projects and activities.  
5 The rules shall exempt the proposed projects and activities from primary industry and primary  
6 job creation requirements and shall specify circumstances under which matching requirements  
7 may be rescinded or modified.