

# State of South Dakota

SEVENTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2002

400H0249

## SENATE BILL NO. 35

Introduced by: The Committee on Government Operations and Audit at the request of the  
Department of Revenue

1 FOR AN ACT ENTITLED, An Act to revise the proration of ethanol payments to ethanol  
2 producers.

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

4 Section 1. That § 10-47B-162 be amended to read as follows:

5 10-47B-162. A production incentive payment of twenty cents per gallon is available to  
6 ethanol producers for ethyl alcohol which is fully distilled and produced in South Dakota. To be  
7 eligible for this payment, the ethyl alcohol shall be denatured and subsequently blended with  
8 gasoline to create ethanol blend. The ethyl alcohol shall be ninety-nine percent pure and shall be  
9 distilled from cereal grains. Annual production incentive payments for any facility may not  
10 exceed one million dollars. No facility may receive any production incentive payments in an  
11 amount greater than ten million dollars. The cumulative annual production incentive payments  
12 made under this section may not exceed an amount ~~which has been appropriated by the~~  
13 ~~Legislature for this purpose and~~ that has been deposited into the ethanol fuel fund in the state  
14 treasury. Payments from the ethanol fuel fund shall be ~~made on a first in time basis until the fiscal~~  
15 ~~year appropriation is reached. During the month when the appropriation limit is to be reached,~~



1 ~~all claims received by month end shall be reimbursed proportionately on a pro-rata basis for each~~  
2 ~~gallon claimed~~ prorated each month based on the claims received for that month. All moneys  
3 available in the ethanol fuel fund at the end of the fiscal year shall be prorated based upon all  
4 unpaid claims received through the end of that fiscal year.