



2025 South Dakota Legislature

House Bill 1021

Introduced by: The Chair of the House Committee on Appropriations at the request of the Department of Agriculture and Natural Resources

1 **An Act to modify the annual fee for concentrated animal feeding operations and to**
 2 **establish an application fee.**

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

4 **Section 1. That a NEW SECTION be added to chapter 34A-2:**

5 In addition to any other tax or fee levied by law, there is hereby imposed on any
 6 concentrated animal feeding operation or any operation that processes or stores manure
 7 or process wastewater and is required to operate under a water pollution control permit
 8 pursuant to § 34A-2-36.2 or 34A-2-36.3 an annual fee as provided for in this section and
 9 section 2.

10 In the case of an operation with a water pollution control permit that includes a
 11 nutrient management plan, other than a livestock auction, an operation located outside of
 12 this state, or an operation located in Indian country, as defined in 40 C.F.R § 122.2 (April
 13 21, 2020), the fee is based on the maximum permitted number of animals and is as
 14 follows:

15 (1) For the period beginning July 1, 2025, through June 30, 2026:

16 (a) \$0.172 per mature dairy cow, milked or dry;

17 (b) \$0.12 per other cattle;

18 (c) \$0.24 per horse;

19 (d) \$0.012 per weaned swine less than fifty-five pounds;

20 (e) \$0.048 per swine equal to or greater than fifty-five pounds;

21 (f) \$0.012 per sheep or weaned lamb;

22 (g) \$0.0022 per turkey;

23 (h) \$0.0011 per chicken; and

24 (i) \$0.004 per duck or goose;

25 (2) For the period beginning July 1, 2026, through June 30, 2027:

26 (a) \$0.343 per mature dairy cow, milked or dry;

- 1 (b) \$0.24 per other cattle;
 2 (c) \$0.48 per horse;
 3 (d) \$0.024 per weaned swine less than fifty-five pounds;
 4 (e) \$0.096 per swine equal to or greater than fifty-five pounds;
 5 (f) \$0.024 per sheep or weaned lamb;
 6 (g) \$0.0044 per turkey;
 7 (h) \$0.0022 per chicken; and
 8 (i) \$0.008 per duck or goose; and

9 (3) Beginning July 1, 2027:

- 10 (a) \$0.514 per mature dairy cow, milked or dry;
 11 (b) \$0.36 per other cattle;
 12 (c) \$0.72 per horse;
 13 (d) \$0.036 per weaned swine less than fifty-five pounds;
 14 (e) \$0.144 per swine equal to or greater than fifty-five pounds;
 15 (f) \$0.036 per sheep or weaned lamb;
 16 (g) \$0.0066 per turkey;
 17 (h) \$0.0033 per chicken; and
 18 (i) \$0.012 per duck or goose.

19 The secretary, pursuant to chapter 1-26, may establish in rule the annual fee for
 20 any other type of terrestrial animal feeding operation with a water pollution control permit
 21 not included in the categories above, provided the fee may not exceed two thousand
 22 dollars per year.

23 **Section 2. That a NEW SECTION be added to chapter 34A-2:**

24 The annual fee for a permitted livestock auction or an operation required to obtain
 25 a water pollution control permit by § 34A-2-36.3 without a nutrient management plan is
 26 one thousand dollars.

27 The annual fee for a permitted large concentrated animal feeding operation that is
 28 located in another state or in Indian country and that stockpiles or applies unmanipulated
 29 manure or process wastewater on land under the jurisdiction of this state, is two hundred
 30 fifty dollars.

31 An annual fee required by sections 1 and 2 accrues on July first of each year. No
 32 later than August first of each year, the Department of Agriculture and Natural Resources
 33 shall submit a bill to each person obligated to pay the fee. The fee is due and payable no
 34 later than September thirtieth and must be remitted to the department.

1 **Section 3. That a NEW SECTION be added to chapter 34A-2:**

2 The concentrated animal feeding operation administrative subfund is established
3 within the environment and natural resources fee fund, as created in § 1-41-23.

4 The subfund consists of moneys from public and private sources, including
5 legislative appropriations, federal grants, gifts, and fees received pursuant to sections 1,
6 2, and 4 of this Act. The Department of Agriculture and Natural Resources shall maintain
7 the subfund separately to defray expenses associated with administering the concentrated
8 animal feeding operation program. Expenditures from the subfund are appropriated by
9 the Legislature through the normal budget process. Unexpended funds and interest remain
10 in the subfund until appropriated by the Legislature.

11 **Section 4. That a NEW SECTION be added to chapter 34A-2:**

12 In addition to any other tax or fee levied by law, there is hereby imposed a water
13 pollution control permit application fee of six hundred dollars on an operation that is
14 required to obtain a water pollution control permit under § 34A-2-36.2 or 34A-2-36.3. The
15 fee is applicable for each submission to the Department of Agriculture and Natural
16 Resources of one or more of the following:

- 17 (1) An application for a new operation;
18 (2) An application to increase the maximum animal numbers at an operation;
19 (3) An application to increase the manure or process wastewater containment
20 structure volume at an operation;
21 (4) A second or any subsequent application, submitted in a calendar year, adding land
22 application fields to the permit of an operation;
23 (5) An application submitted for an individual permit; or
24 (6) An application for coverage under a general permit submitted after July 1, 2027.

25 The fee does not apply to as-built plans.

26 The person filing the application for the water pollution control permit shall submit
27 the fee with the application. The department shall deposit the fee in the concentrated
28 animal feeding operation administrative subfund, as established in section 3 of this Act.

29 **Section 5. That § 34A-2-125 be REPEALED.**

30 ~~In addition to any other tax or fee levied by law, and notwithstanding the provisions~~
31 ~~of § 34A-2-117, there is hereby imposed an annual fee on all concentrated animal feeding~~
32 ~~operations that are required to operate under a general or individual water pollution~~

1 ~~control permit issued under chapter 34A-2 or required to obtain approval of plans and~~
2 ~~specifications submitted after July 1, 1997, pursuant to § 34A-2-27. The fee is two~~
3 ~~hundred fifty dollars for operations with two thousand or more animal units, one hundred~~
4 ~~seventy five dollars for operations with one thousand to one thousand nine hundred~~
5 ~~ninety nine animal units, and one hundred dollars for operations with less than one~~
6 ~~thousand animal units. The obligation to pay the fee is on the person filing the application~~
7 ~~for the water pollution control permit or the person required to obtain plans and~~
8 ~~specifications approval and accrues on July first of each year. By August first of each year,~~
9 ~~the Department of Agriculture and Natural Resources shall submit a billing to each person~~
10 ~~obligated to pay the fee. The fee is due and payable by September thirtieth and shall be~~
11 ~~remitted to the Department of Agriculture and Natural Resources.~~

12 ~~There is hereby established in the environment and natural resources fee fund~~
13 ~~established in § 1-41-23 the concentrated animal feeding operation administrative~~
14 ~~subfund. The subfund consists of moneys from public and private sources including~~
15 ~~legislative appropriations, federal grants, gifts, and fees received pursuant to this section.~~
16 ~~The subfund shall be maintained separately and be administered by the Department of~~
17 ~~Agriculture and Natural Resources in order to defray the expenses associated with~~
18 ~~administering the concentrated animal feeding operation program. Expenditures from the~~
19 ~~subfund shall be appropriated through the normal budget process. Unexpended funds and~~
20 ~~interest shall remain in the subfund until appropriated by the Legislature.~~