

# State of South Dakota

NINETY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 2017

383Y0634

## HOUSE APPROPRIATIONS

### ENGROSSED NO. **HB 1188** - 2/23/2017

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

Introduced by: Representatives Kettwig and Otten (Herman) and Senators Cammack, Langer, and Wiik

1 FOR AN ACT ENTITLED, An Act to accommodate legislation to promote agricultural  
2 development.

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

4 Section 1. That the code be amended by adding a NEW SECTION to read:

5 It is in the public interest of the state that, any state agencies, departments, or offices that  
6 provide grants and low-interest loans to support municipalities, counties, or other entities with  
7 various needs, do so in a manner that best ensures those public funds promote the continued  
8 future development of the state and its citizens. The state shall evaluate applications or requests  
9 for funds or assistance under the programs listed in section 3 of this Act, and incorporate, if not  
10 forbidden by federal law or rule, the following before making a decision to award funds or  
11 provide other assistance:

12 (1) The extent the county, where the assistance would be awarded or the benefits accrue,  
13 has prioritized new economic development activities, including a formal economic  
14 development strategy or resolution adopting targeted industries in the county, and the



1 consistency of the strategy or resolution with the funds or assistance requested;

2 (2) If the county has adopted a system of zoning, and the extent of the fit between the  
3 county's comprehensive zoning plan and value-added agricultural development  
4 specifically, including setbacks, voting criteria, and limitations on rural residential  
5 development; and

6 (3) The extent of which the assistance and the county's economic development strategy  
7 and zoning, if applicable, promote increased utilization of agricultural commodities  
8 sourced from within the state as an input in producing value-added agricultural  
9 products.

10 Section 2. That the code be amended by adding a NEW SECTION to read:

11 Section 1 of this Act shall apply to any applicant for funding or assistance. The  
12 considerations of section 1 of this Act shall be given weight equal or greater to that of other  
13 factors except safety used by an agency, department, or office to render a decision. If requests  
14 for assistance are otherwise equally meritorious but all cannot receive awards due to limited  
15 funds, the requests most responsive to the considerations in section 1 of this Act shall be given  
16 preference.

17 Section 3. That the code be amended by adding a NEW SECTION to read:

18 Grants, loans, and other assistance subject to the provisions of section 1 of this Act include  
19 the following:

20 (1) Department of Transportation grants and loans awarded pursuant to chapter 1-44,  
21 including, county road and bridge funds or economic development road grants;

22 (2) Governor's Office of Economic Development grants and loans awarded by the Board  
23 of Economic Development pursuant to chapter 1-16G, including, loans from the  
24 revolving economic development and initiative fund, grants from the local

1 infrastructure improvement program, and grants awarded by the Governor's Office  
2 of Economic Development under the federal community development block grant  
3 program; and

4 (3) Department of Agriculture grants, loans, and guaranties awarded by the Value Added  
5 Finance Authority pursuant to chapter 1-16E or administered by the department,  
6 including, livestock nutrient management bonds, value added agribusiness relending  
7 program loans, and rural development agricultural loan participation.

8 Section 4. That the code be amended by adding a NEW SECTION to read:

9 The Department of Transportation, the Governor's Office of Economic Development, and  
10 the Department of Agriculture are hereby authorized to promulgate new rules, or amend existing  
11 rules, necessary to implement this Act.