

# State of South Dakota

EIGHTY-EIGHTH SESSION  
LEGISLATIVE ASSEMBLY, 2013

480U0085

## SENATE BILL NO. 115

Introduced by: Senators Krebs, Frerichs, Lucas, Maher, Monroe, and Tidemann and  
Representatives Peterson, Bartling, Cammack, Craig, Cronin, Duvall,  
Hoffman, Munsterman, Olson (Betty), Parsley, Qualm, Schrempp, and Solum

1 FOR AN ACT ENTITLED, An Act to increase the commercial fertilizer inspection fee for  
2 purposes of fertilizer-related research and to create the Nutrient Research Education Council  
3 to promote such research.

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

5 Section 1. That § 38-19-10 be amended to read as follows:

6 38-19-10. ~~There is paid~~ Each licensed distributor of commercial fertilizer shall pay to the  
7 secretary of agriculture for all commercial fertilizer distributed in this state an inspection fee ~~of~~  
8 ~~up to twenty-five cents per ton~~ in accordance with the provisions of § 38-19-12, not to exceed  
9 forty cents per ton. The secretary of agriculture shall promulgate rules pursuant to chapter 1-26  
10 to establish the inspection fee.

11 Section 2. That ARSD 12:44:06:01 be amended to read as follows:

12 12:44:06:01. Commercial fertilizer tonnage inspection fee. The commercial fertilizer  
13 tonnage inspection fee is ~~fifteen~~ thirty cents a ton, except the fee is ~~five~~ twenty cents a ton on  
14 products that are made up entirely of manipulated animal manure.



1 Section 3. That § 38-19-14 be amended to read as follows:

2 38-19-14. Fees collected pursuant to this chapter shall be deposited with the state treasurer  
3 in a special revenue fund known as the fertilizer fund. This fund shall consist of moneys from  
4 public and private sources including legislative appropriations, federal grants, gifts, and the fees  
5 received pursuant to this chapter. The fund shall be maintained separately and be administered  
6 by the department in order to defray the expenses of all activities associated with administering  
7 the fertilizer program and to provide funding for fertilizer- and nutrient-related research at South  
8 Dakota State University and related purposes as provided in section 4 of this Act. Expenditures  
9 from the fund shall be appropriated through the normal budget process. Unexpended funds and  
10 interest shall remain in the fund until appropriated by the Legislature.

11 Section 4. That chapter 38-19 be amended by adding thereto a NEW SECTION to read as  
12 follows:

13 From each fee collected pursuant to § 38-19-10, fifteen cents shall be provided to the South  
14 Dakota Agricultural Experiment Station to be used as provided in this Act for fertilizer- and  
15 nutrient-related research projects and activity at South Dakota State University in conjunction  
16 with the Nutrient Research and Education Council established in section 5 of this Act.

17 Section 5. That chapter 38-19 be amended by adding thereto a NEW SECTION to read as  
18 follows:

19 The Nutrient Research and Education Council is hereby established. The council shall  
20 consist of nine voting members, including three representing the fertilizer industry; three  
21 representing grower organizations, to include at least one member from the state's largest  
22 commodity organizations, one person representing the specialty fertilizer industry, and one  
23 person representing a certified agronomy association; two at-large positions; and the director  
24 of the South Dakota Agricultural Experiment Station or the director's designee. The council

1 shall also include four nonvoting members: two persons representing environmental  
2 organizations, one person representing the secretary of the Department of Agriculture, and one  
3 person representing the secretary of the Department of Environment and Natural Resources. In  
4 the appointment of members to the council, the organizations designated in this section shall  
5 nominate, and the secretary of agriculture shall select from these nominations, representatives  
6 to the council. Members of the council may receive no compensation, but members may be  
7 reimbursed for travel and subsistence expense in accordance with rules promulgated by the  
8 State Board of Finance. The council shall meet at least twice each year. The council shall be  
9 administered under the direction and supervision of the South Dakota Agricultural Experiment  
10 Station, but retains the respective quasi-judicial, quasi-legislative, advisory, other  
11 nonadministrative and special budgetary functions (as defined in § 1-32-1) otherwise vested in  
12 them and shall exercise those functions independently of the South Dakota Agricultural  
13 Experiment Station.

14 Section 6. That chapter 38-19 be amended by adding thereto a NEW SECTION to read as  
15 follows:

16 The Nutrient Research and Education Council established in section 5 of this Act, acting in  
17 cooperation and conjunction with the South Dakota Agricultural Experiment Station, shall:

- 18 (1) Prioritize nutrient research and education proposals and solicit research proposals to  
19 generate findings and make recommendations to the council based on the findings;
- 20 (2) Evaluate the proposed budget for each research project and make recommendations  
21 as necessary;
- 22 (3) Arrange for peer review of all research proposals for scientific merit and methods;
- 23 (4) Disseminate the findings of all research projects to the appropriate agricultural sector  
24 in the manner deemed most effective;

- 1 (5) Cooperate with other programs with similar goals, if practicable.
- 2 The council shall publish an annual financial and activities report, including the amount of funds
- 3 collected and expenditures for nutrient programs.