

SDADA & SDTA BILL TRACKING FOR 2023 LEGISLATIVE SESSION

***Bills that reached final disposition

For further and more detailed information about any of these Bills or other Bills, go to the website: sdlegislature.gov

HOUSE BILLS

***Bill #: 1011

Title: Revise employer contribution rates.

Position: Support

Narrative: This bill has flown through without any no votes. This bill will reset the employer contribution rates and is a large tax reduction and will help small business greatly. We do not anticipate any issues with this passing.

Bill Status: Passed House Commerce and Energy, Passed House Floor, Passed Senate Commerce and Energy, on Gov's desk

***Bill #: 1013

Title: Update references to certain federal motor carrier regulations.

Position: Support

Narrative: Annual update to adopt what FMCSA updates to their references, this bill is viewed as clean-up.

Bill Status: Passed House Transportation, Passed House Floor, Passed Senate Transportation, Passed Senate Floor

Bill #: 1035

Title: Make an appropriation to the Department of Revenue for the modernization of the motor vehicle administration system, and to declare an emergency.

Position: Support

Narrative: This is a \$25 million request which will update the computer system that is very outdated. This will allow us to help push forward electronic titling in the (hopefully) near future.

Bill Status: Referred to Joint Committee on Appropriations

***Bill #: 1036

Title: Increase civil penalties for commercial driver's license holders and motor carriers.

Position: Support

Narrative: The Department of Public Safety was recently audited by the FMCSA and was found to be out of compliance in several areas. This penalty increase, while uncomfortable, was required as it came with strings attached to Federal highway roads and bridges funding along with CDL licensing. These fines are for those deemed 'out of service' which often times is for extreme reasons and for the safety for all on our road ways.

Bill Status: Passed House Transportation, Passed House Floor, Passed Senate Transportation, Passed Senate Floor

Bill #: 1042

Title: Update additional charges allowed for mailing decals and plates and to declare an emergency.

Position: Watch

Narrative: At the current rates when mailing our plates, the counties are losing money, a large amount of these are being sent out of state. This proposed bill will allow an increase to mailing physical plates if the consumer chooses to have them mailed.

Bill Status: Passed House Transportation, Passed House Floor, Passed Senate Transportation

Bill #: 1056

Title: Modify the limit of consecutive terms for members of the Board of Technical Education

Position: Support

Narrative: This streamlines the appointment of Board of Technical Education's appointees. Technical schools are an important part of our industries. This is non controversial.

Bill Status: Passed House Education, Passed House Floor, Referred to Senate Education

*****Bill #: 1072**

Title: Include lithium and pegmatite as energy minerals subject to severance tax and set the distribution of proceeds therefrom.

Position: Watch

Narrative: Watching to see if anything else gets added and how or if this could impact our industries.

Bill Status: Passed House Taxation, Passed House Floor, Killed in Senate Taxation

Bill #: 1075

Title: To lower the state sales tax rate and the state use tax rate on food to zero percent.

Position: Oppose/Watch

Narrative: This is a slippery slope to remove the tax on food and the impact it will have on the state budget. We do not want to see a tax shift into our industries. There are many other business groups who are also opposing this. We also expect to see several variations of this bill.

Bill Status: Referred to House Committee on Appropriations

*****Bill #: 1083**

Title: Modify the amounts required for proof of financial responsibility for the future for motor vehicles.

Position: Watch

Narrative: This changes the dollar amount from 25k to 75k in bodily injury or death or destruction of property of others in any one accident

Bill Status: Referred to House Transportation, Died in committee

*****Bill #: 1085**

Title: Require a case management service provider to disclose communications to an employee.

Position: Oppose

Narrative: This puts an undue burden on the employer and would have slowed the work comp cases down severely. There were several groups who opposed this bill with us.

Bill Status: Killed in House Commerce and Energy Committee

*****Bill #: 1095**

Title: To lower the state sales tax rate and the state use tax rate on food to two and one-half percent.

Position: Watch

Narrative: Food tax reduction bill

Bill Status: Died in House Appropriations

*****Bill #: 1096**

Title: To lower the state sales tax rate and the state use tax rate on food to three and one-half percent.

Position: Oppose/Watch

Narrative: Another food tax reduction bill

Bill Status: Bill Tabled in House Taxation

*****Bill #: 1103**

Title: Waive the fee for nondriver identification cards for individuals at or below the federal poverty level.

Position: Watch

Narrative: Requires Department of Public Safety to waive the fee for a nondriver ID card or renewal of a nondriver ID card that is below the federal poverty level.

Bill Status: Died in House Taxation

Bill #: 1117

Title: Make an appropriation to support the small and mid-sized manufacturers, and to declare an emergency.

Position: Support

Narrative: \$875,000 appropriation to support small and mid-sized manufacturers thru Lake Area Technical College.

Bill Status: Referred to Joint Committee on Appropriations

*****Bill #: 1120**

Title: Establish provisions for the operation of automated motor vehicles.

Position: Support

Narrative: This allows the use of automated motor vehicles, and the bill is being brought by SD Retailers on behalf of Walmart. There is a push nationwide to allow this model legislation. We are watching this closely to ensure the franchise model is being adhered to. We looked at adding an amendment which would just be redundant.

Bill Status: Died in House Transportation

Bill #: 1137

Title: Reduce certain gross receipts tax rates and a use tax rate, and to repeal a conditional reduction of certain gross receipts tax rates.

Position: Watch

Narrative: Another Sales tax repeal

Bill Status: Passed House Committee on Appropriations

Bill #: 1158

Title: Ban counterfeit airbags.

Position: Watch/Support

Narrative: This is model legislation coming out of the Alliance and bans the use of counterfeit airbags. While we don't see an issue with counterfeit airbags and we don't see an issue with bringing this bill.

Bill Status: Passed House Transportation, Passed House Floor, Referred to Senate Transportation

*****Bill #: 1180**

Title: Modify hours of employment for children under fourteen years of age.

Position: Support

Narrative: Moves the restriction from 7 p.m. to 9 p.m.

Bill Status: Referred to House Commerce and Energy, withdrawn by the request of the sponsor

*****Bill #: 1181**

Title: Modify the annual minimum wage adjustment.

Position: Watch

Narrative: Cuts back on the minimum wage every other year. SD is about \$2 above the federal wage.

Bill Status: Died in House Commerce and Energy

*****Bill #: 1198**

Title: Revise provisions on correcting minor errors on motor vehicle titles

Position: Watch

Narrative: This is an 'empty' bill and will possibly be used later, will watch

Bill Status: Tabled by House Transportation

*****Bill #: 1211**

Title: Provide a penalty schedule for failure to maintain financial responsibility on a motor vehicle

Position: Watch

Narrative: Failure to maintain financial responsibility imposes a 3 step tier for a class 2 misdemeanor, a class 1 misdemeanor, and the third time, a class 6 felony.

Bill Status: Died in House Commerce and Energy

Bill #: 1215

Title: Revise certain provisions regarding the operation of a golf cart on a state or county highway

Position: Watch/Support

Narrative: This bill is being brought out of the Madison area and will mirror what is in place for snowmobiles. This simply allows them to cross from one side of the highway to the other. It also restricts it highways that are 25 miles per hour or less

Bill Status: Passed House Transportation, Passed House Floor, Referred to Senate Transportation

Bill #: 1239

Title: Prohibit ban of gas services and appliances used by consumers

Position: Support

Narrative: Restricts governments from prohibiting the use, production, manufacture, or transport of fuel gas or fuel gas appliances within the state.

Bill Status: Passed House Commerce and Energy, Passed House Floor, Referred to Senate Commerce and Energy

Bill #: 1241

Title: Waive the fee for no driver identification cards for individuals who are homeless and to make an appropriation therefor.

Position: Watch

Narrative: This bill was brought multiple times by the sponsor in an effort to get homeless individuals an ID card. The intent was the first step for them to get employment and back on their feet. It's a hand up, not a hand out. I monitored this bill as it can impact the workforce in SD, and we all need more workers.

Bill Status: Referred to House Transportation, do pass with recommendation to Joint House Appropriations

SENATE BILLS

*****Bill #: 19**

Title: Make an appropriation for the payment of extraordinary litigation expenses and to declare an emergency.

Position: Watch

Narrative: This bill doesn't impact us much, but as we have seen extraordinary lawsuits and claims over the years in our industry, this is important to watch as we will have legislation in the near future to protect our small businesses in South Dakota.

Bill Status: Passed Joint Committee on Appropriations, Passed Senate Floor, Pass House Floor

Bill #: 21

Title: Make an appropriation for costs related to the Black Hills National Forest Land and Resource Management Plan revision process and to declare an emergency.

Position: Support

Narrative: This bill would make an appropriation of \$500,000 to the Department of Agriculture and Natural Resources, for the purpose of creating a one-to-one cost-share program, available to the five counties in this state that have Black Hills National Forest System lands within their boundaries, to allow for the counties' participation in the Black Hills National Forest Land and Resource Management Plan revision process. This bill is absolutely critical to our Logging partners in the state of South Dakota. The Feds have continued to scale back what can be harvested each year, which has closed one mill with another not far behind if we can't get factual data to show what our forest can handle and the positive impacts it makes to ensure we have a well-maintained forest. We have been in consultation with our friends out west that work for Black Hills Forestry Association.

Bill Status: Referred to Senate Agriculture and Natural Resources, Referred to Joint Committee on Appropriations

*****Bill #: 30**

Title: Revise the criteria for remote sellers who must remit sales tax.

Position: Support

Narrative: This bill came from South Dakota, being a member of the streamline sales tax group. Other neighboring states are implementing this bill as well. This bill refers to nexus (physical presence) in the state when purchases are made. This mostly will impact those close to the SD boarder and creates a fairness when making sales.

Bill Status: Passed Senate Taxation, Passed Senate Floor, Passed House Taxation, Passed House Floor and delivered to Gov

*****Bill #: 31**

Title: Create an off-road vehicle decal for non-residents visiting the state

Position: Support

Narrative: This would implement a new decal system for out-of-state visitors bringing in off-road vehicles. This is a one-time fee of \$50, which can be purchased online or through the county treasurer. There was much debate over whether this fee was enough or should be increased. MVD opposed it being changed above this rate due to programming issues, and a compromise was struck to keep it at the \$50 rate. This came from Lawrence County.

Bill Status: Passed Senate Transportation, Passed Senate Floor, Passed House Transportation, Passed House Floor

*****Bill #: 41**

Title: Establish a program for housing infrastructure loans and grants, make an appropriation therefor, and to declare an emergency.

Position: Support

Narrative: This is a clean-up bill from last year's housing bill to fix some discrepancies between the 2022 version. The fund is split into \$100 million for an infrastructure revolving loan fund and \$100 million of state and federal ARPA grant funding. 70% funding split for towns below 50,000 population, 30% for towns above 50,000 population. This bill pulls the funding out of the Housing Investment Fund and creates a Housing Infrastructure Investment Fund to be administered by the South Dakota Housing Development Authority.

Bill Status: Passed Senate Commerce and Energy, Passed Senate Floor, Passed House State Affairs, Passed House Floor, Signed by Governor

Bill #: 42

Title: Modify power of attorney requirements for certain vehicle transfer authorizations.

Position: Support

Narrative: This allows the title to be transferred to the insurance company via Power of Attorney. When a titled product such as a car or trailer etc is totaled and title needs to be transferred this can be done quickly, which will allow the insured to receive payment sooner and replace the product that was totaled.

Bill Status: Passes Senate Commerce and Energy, Passed Senate Floor, Referred to House Judiciary

*****Bill #: 49**

Title: Prohibit the improper storage and disposal of records containing personal or protected information and provide a penalty therefor.

Position: Oppose/Watch

Narrative: This bill is being brought by Attorney General Jackley. It has had a lot of conversations and additional meetings surrounding it to find a compromise.

Bill Status: Tabled in Senate Judiciary

Bill #: 59

Title: Make an appropriation to the Department of Education for grants to support career and technical education infrastructure projects.

Position: Support

Narrative: Department of Education, for the purpose of providing grants to school districts for the 6 construction, addition, and equipping of new or existing area career centers.

Bill Status: Passed Joint Committee of Appropriations

*****Bill #: 61**

Title: Revise driver's license suspensions for restricted permit holders over the age of sixteen.

Position: Support

Narrative: Update statute to maintain the suspension for under age 16 but if you fail to update to a full operator license after 16 it doesn't make it a traffic violation. Current law is a burden on families. It becomes a 2nd traffic violation and loss of DL for 6 months. DPS has seen a huge increase for an administrative hearing to appeal the suspension.

Bill Status: Passed Senate Transportation, Passed Senate Floor, Passed House Transportation, Passed House Floor

Bill #: 62

Title: Amend provisions regarding delivery of electronic insurance documents.

Position: Watch

Narrative: This bill is in regards to group health plans and allowing electronic documents.

Bill Status: Passed Senate Commerce and Energy, Passed Senate Floor, Referred to House Commerce and Energy

*****Bill #: 71**

Title: Authorize other fuel taxes to be included in the state's International Fuel Tax Agreement collections.

Position: Support

Narrative: The International Fuel Tax Agreement (IFTA) system is how South Dakota gets its fair share of fuel taxes from interstate and international carriers.

- IFTA applies to the large trucks that operate in several states.
- Regardless of where the fuel was purchased and the fuel tax paid, the fuel taxes are split by the IFTA system among the states where the fuel was used based on miles traveled in each state. Under current law, South Dakota only includes diesel fuel or diesel blends in our IFTA laws.
- South Dakota is missing out on fuel taxes from carriers that use other fuels like liquid natural gas or biodiesel blends to power their trucks.
- A carrier that fills up with liquid natural gas in Minnesota and pays Minnesota fuel tax, and uses all of that fuel to drive on South Dakota roads, is not paying SD for the use of our roads.
- Ironically, that carrier may receive a refund of the Minnesota fuel tax from Minnesota for the miles travelled in South Dakota on that fuel ---- tax dollars that should be coming to South Dakota to cover the wear and tear on our roads.
- Makes it clear that the IFTA system applies to more fuels than diesel fuel.
- In addition to diesel fuel, the fuels that are added are motor fuel (gasoline), ethyl alcohol, and methyl alcohol, biodiesel, biodiesel blend, liquid natural gas, liquid petroleum gas, compressed natural gas, or any combination thereof.
- The carrier must report on the IFTA system the fuel purchased, taxes paid, and where the fuel was used for all of these new fuel types just like they are currently doing for diesel fuel.

This bill is a road infrastructure bill and a tax fairness bill --- the majority of other IFTA jurisdictions have already added these other fuel types, and South Dakota needs to do so as well.

It does not impose any new taxes --- it simply permits South Dakota to get its share of the fuel taxes on the other fuels that may currently be retained by other states.

Bill Status: Passed Senate Transportation, Passed Senate Floor, Passed House Taxation, Passed House Floor

*****Bill #: 73**

Title: Exclude township-owned self-propelled machinery, equipment, and vehicles from fuel excise tax.

Position: Watch

Narrative: This simply adds in a township to what is already exempt for state, county and municipalities

Bill Status: Passed Senate Taxation, Passed Senate Floor, Passed House Taxation, Passed House Floor

*****Bill #: 85**

Title: Revise rebating provisions in the insurance code

Position: Support

Narrative: This is model legislation that modernizes code. IE if an insurance company were to give a device to set near your water heater to detects leaks this was previous viewed as a gift. This now clarifies that its to the benefit of both the insurance co as well as insurer and not a gift.

Bill Status: Passed Senate Commerce and Energy, Passed Senate Floor, Passed to House Commerce and Energy, Passed House Floor

*****Bill #: 97**

Title: Establish a for-cause requirement for inspections of motor carriers on possible vehicle weight and load violations.

Position: Oppose

Narrative: This bill will be opposed by DPS. The sponsor claims this is unconstitutional, however, case law shows its acceptable. This would prohibit law enforcement from being able to pull truckers over on the side of road for road inspections without due cause.

Bill Status: Referred to Senate Transportation, Killed in committee

Bill #: 112

Title: Establish and modify provisions related to taxation.

Position: Watch

Narrative: This is a place holder bill

Bill Status: No Action

*****Bill #: 133**

Title: Modify the design of license plates to include the state motto.

Position: Watch

Narrative: Adds state motto to license plate, monitoring to make sure nothing else gets added.

Status: Passed Senate Transportation, Killed on Senate Floor

*****Bill #: 135**

Title: Revise provisions regarding the operation of golf carts on a state or county highway.

Position: Watch

Narrative: This bill allows golf carts on the shoulders of highways. It does come with several safety requirements.

Bill Status: Killed in Senate Transportation Committee

Bill #: 159

Title: Revise provisions regarding vehicle warranty claims.

Position: Support

Narrative: This bill will be amended and completely redone to ensure the intent of the bill will be brought forth. This bill intends to assist with warranty claim reimbursement.

Bill Status: Passed Senate Commerce and Energy

*****Bill #: 167**

Title: Revise provisions regarding vehicle dealer warranty compensation.

Position: Support

Narrative: This bill will clarify warranty compensation.

Bill Status: Tabled by sponsor

Bill #: 178

Title: Create provisions for the protection of warehouse distribution center employees.

Position: Oppose/Watch

Narrative: This bill would have had implications for UPS and FEDX in regards to warehouses and their employees.

Bill Status: This bill died in committee then was completely hoghoused (changed into a new bill), and is now a newspaper bill. We will no longer watch this bill.

*****Bill #: 194**

Title: To establish certain provisions regarding fairness in repairs of equipment sold or used in this state.

Position: Oppose

Narrative: This bill is the right to repair bill we have seen several years in a row.

Bill Status: Died in Senate Commerce and Energy

Bill #: 202

Title: Exempt from the state use tax the fair market value of good given without charge.

Position: Watch

Narrative: Bill was amended in committee. The purchase price of all tangible personal property considered purchased for resale purposes, and provided to a customer as part of a taxable sale, is exempt from the tax imposed by this chapter and chapter 10-45.

Bill Status: Passed Senate Taxation

Bill #: SR701

Title: Urging the South Dakota Department of Transportation to reconsider the three-lane proposal for State Highway 46.

Position: Watch

Narrative: This is a resolution that is from the Wagner area in regards to a highway that the DOT is going to convert from a 4-lane to a 3-lane.

Bill Status: Referred to Senate Transportation

HOT BUTTON ITEMS

These are items for which you will most likely see a substantial amount of news coverage. Every year we have a few of these bills that I like to refer to as "shiny balls." There is a lot of activity, and there are frequently "companion" bills that go along with it in case one legislator dies and another legislator can quickly introduce it a second time. OR, occasionally, they are agency or Governor bills, and legislators will introduce a slightly different variation of what was introduced.

I also try to watch as many of the bills that will impact elections as possible. The folks who occupy the seats are the ones who drive industry change, and it's important to watch, support, or oppose these bills to protect the integrity of our South Dakota elections.

January 26th was the last day for unlimited bill and resolution introductions.

I have added HB1080 to the hot button topic list as there is a lot of media coverage on it, and has had a lot of debate and scrutiny on it.

HOUSE BILLS

*****Bill #: 1080**

Title: Prohibit certain medical and surgical interventions on minor patients.

Position: Watch

Narrative: Prevents gender change surgeries under the age of 18.

Bill Status: Passed Health & Human Services Committee, Passed House Floor, Passed Senate Health & Human Services Committee, Passed Senate Floor

*****Bill #: 1062**

Title: Clarify the convening of recount boards for primary elections.

Position: Watch

Narrative: This bill is being brought by the Chief Justice and just clarifies the recount process with more guidance.

Bill Status: Passed House Judiciary, Passed House Floor, Passed Senate State Affairs, Passed Senate Floor

*****Bill #: 1069**

Title: Prohibit the acquisition of agricultural land by foreign governments.

Position: Watch

Narrative: This item is also being brought by the Governor and has had a lot of discussion and national attention on it.

Bill Status: Withdrawn by sponsor

Bill #: 1189

Title: Require certain entities owning agricultural land to report foreign beneficial ownership interests.

Position: Watch

Narrative: Requires reporting of any foreign ownership in Ag land.

Bill Status: Passed House Agriculture and Natural Resources, Passed House Floor, Referred to Senate Agriculture and Natural Resources

SENATE BILLS**Bill #: 40**

Title: Revise the process for nominating candidates for the offices of lieutenant governor, attorney general, and secretary of state.

Position: Watch

Narrative: Put the AG and SOS on the primary ballot vs. having them chosen at the political party convention.

Bill Status: Passed Senate State Affairs, Passed Senate Floor, Referred to House State Affairs

Bill #: 55

Title: Prohibit ranked-choice voting.

Position: Watch

Narrative: Prohibits cities from using Rank Choice voting—its complicated.

Bill Status: Passed Senate State Affairs, Passed Senate Floor, Referred to House State Affairs