



A Final Look at 2019 Legislative Session

There were 463 bills and 12 Joint Resolutions introduced during the 2019 Legislative Session.

Thanks to your membership, the South Dakota Chamber of Commerce and Industry reviewed and analyzed each and every one of those bills and resolutions. Half of the bills actually passed the legislature and half end up being defeated – often as a result of action taken by the South Dakota Chamber of Commerce and Industry and other business associations.

Which of these bills had the greatest impact on businesses in South Dakota?

Which bills took the most time and engagement from the Chamber’s staff and members?

This report highlights the twenty-two bills that had the greatest impact on Chamber members and which the Chamber spent the most time and worked the hardest to either help or hinder.

Readers will find a grid that summarizes the bills by level of impact and level of engagement. Along with the grid, readers will find detailed analysis for each of the bills in each square of the grid.

For the bills that were deemed to have the greatest impact, there is a more detailed analysis including an explanation of the Chamber’s position and the votes taken in committee and on the floor of the House and Senate. The rest of the twenty-two bills have a shorter analysis that lists the Chamber’s position and whether or not the bill passed the legislature.

In the end, being with the legislature all day every day is a bit like being caught in hail storm. There is noise all around, it takes your breath away in an odd, awe-inspiring way, there is damage being done, but to be effective you narrow your focus on the hailstones that are putting dents in your car and the even fewer ones that have just cracked the windshield. At its worst, it is reminiscent of President Lyndon Johnson famous quote “. . . [It] is like being a jackass in a hailstorm. There's nothing to do but to stand there and take it.”

Here are the twenty-two bills that have a direct impact on businesses in South Dakota and where the Chamber put in a high level of time and engagement. After this graphic, there is a summary of several high profile topics that dominated discussions throughout the session. After these summaries, readers will find the grid repeated and then a detailed summary of each of the bills on the grid.

LEVEL OF ENGAGEMENT

		High	Medium	Minimal
IMPACT ON BUSINESS	High	HB 1173 - Guns in Trunks SB 49 - Transgender / Sports SB 117 - Driver's License / Spanish	HB 1111 - Professional Licensing / Ellsworth HB 1034 - UI Rate Reductions HB 1102 - Right to Repair	HB 37 - Association Health Plan
	Medium	SB 86 and HB 1265 - Partridge Amendment	HB 1175 - Early Learning SB 179 - School General Fund Levies HB 1139 - Capital Outlay Rules HB 1115 & SB 170 - More Time for Local Referendums	SB 59 - Court Settlements w/Go Made Public HB 1272 - Electronic Notary Witness SB 189 - Pipeline Cost SB 190 - Recovery/Funds SB 12 - Drug Tests with Fluids Other than Blood
	Minimal		HB 1103 - Lemon Laws	SB 120 - Noncompete Limit HB 1118 - Excise Tax Car Rebates

Starting with an Overview of Three Topics

There were several large themes and subjects that the Board of Directors of the South Dakota Chamber of Commerce and Industry discussed often during weekly legislative phone conferences. Below you will find a brief summary of these topics which is offered in hopes that it may make the legislative session and the Chamber's advocacy understandable (which isn't the same as agreeable, sensible or enjoyable).

Gun Bills – Overall, there were 12 bills that dealt with the topic of firearms, 7 of them dealing specifically with the laws regarding concealing firearms. Four of the twelve bills passed and will become law on July first (see brief overview of these below).

Of the twelve bills, the South Dakota Chamber of Commerce and Industry was engaged with only one – HB 1173 – which would have prohibited businesses from enforcing policies that do not allow guns on their premises. Many businesses don't want any firearms in their parking lots even if locked out of sight in cars or in their building and certainly not being carried around by customers or employees. HB 1173 would have specifically had state law allowing people to have firearms in vehicles, as long as they were out of sight and the vehicle was locked.

Many manufacturers that sell products directly to the Federal Government, or into a supply chain that ultimately

ends up with the Federal Government, are required to have a “firearm free” policy. The final version of HB 1173 did allow those companies to keep their policies. This amendment was appreciated but was not enough to change the Chamber’s opposition to the bill. It is still an unacceptable intrusion of property rights. The bill was defeated on the floor of the House of Representatives.

Gun Bills that Passed

SB 47 – allows concealment of guns without filing for a permit. Permits are still issued which is required for carrying a concealed weapon in other states that offer reciprocity. SB 47 does not allow anyone who is prohibited from having a concealed carry permit to carry a concealed weapon. If caught concealing a weapon, all penalties will still apply.

SB 115 – expands the list of people that can carry firearms in the Capitol Building. The bill requires those people to have an enhanced concealed carry permit and lists people with specific status, such as active duty service people, that are allowed to carry a concealed weapon in the Capitol.

HB 1054 – expands the kinds of off road or utility vehicles that can carry a weapon in a holster of a gun carrier that conceals the weapon. Current law allows guns to be concealed on “ATVs” defined as having a “saddle and handle bars”. This bill adds vehicles that have “seats and steering wheels” to accommodate the popular cross country vehicles. One must admit that holding a shotgun in plain sight while bouncing across a pasture is less safe than having that weapon in a carrying case bolted to a rack. When one is shot by a weapon being held in the open, there is little consolation in the knowledge of “well, he saw it coming.”

HB 1056 – prohibits local governments from passing laws or ordinances that regulate or tax firearms.

Transgender “Bathroom Bills” – There was much interest proceeding the session regarding how schools should deal with transgender students using bathrooms and locker rooms. When the session finally started, the issue had evolved away from the use of bathrooms to the fairness of competition with sports.

The issue of bathrooms seems to be addressed for the most part by the growing use of family or single use bathrooms, the common practice of enclosing all facilities within bathrooms and the fact that sports teams simply don’t use common shower facilities anymore.

The Chamber’s involvement is driven by two considerations:

- Members input. Larger national and multinational companies, as well as South Dakota based industries, looking for employees have made it clear to the Chamber that their industry embraces inclusionary employment practices and that they don’t want their dues investments being used to support laws that discriminate against LGBT individuals.
- Avoiding economic consequences. The Chamber understands that there are significant entertainers, conventions and tournaments that simply will not schedule events in states that discriminate against LGBT individuals – or worse yet – will gain national publicity for announcing to the world that they won’t schedule anything in South Dakota, which honestly has zero impact on their schedule because they were never coming here anyway.

Partridge Amendment – What should the state do with new “new” revenue that will come from finally getting to collect sales/use tax from sales over the internet? Should that “new” money be used to:

- Reduce the tax increase that was passed in 2016 to raise money for teacher’s pay?
- Reduce the tax on food?
- Be reported to the Legislature’s Appropriation Committee for a decision when the amount is really

known?

This was the debate that involved a number of bills, most directly SB 86 and HB 1265.

The issue stems from an amendment placed on the bill to increase taxes for increasing teacher’s pay in 2016 that said if internet sales could ever be taxed in the future, that money would be used to reduce the tax increase.

The South Dakota Chamber of Commerce takes the position that the original “Partridge Amendment” was attached to the 2016 tax bill without a public hearing and that the automatic trigger violates a common practice of the legislature that prohibits one legislature from binding the actions of future legislatures in several regards. The Chamber supports learning how much money is really involved first and allowing the appropriation process to determine the best use for those funds.

Here again are the twenty-two bills that have a direct impact on businesses in South Dakota and where the Chamber put in a high level of time and engagement. After this graphic is a detailed summary of each of the bills on the grid.

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IMPACT ON BUSINESS	High	HB 1173 - Guns in Trunks SB 49 - Transgender / Sports SB 117 - Driver’s License / Spanish	HB 1111 - Professional Licensing / Ellsworth HB 1034 - UI Rate Reductions HB 1102 - Right to Repair	HB 37 - Association Health Plan
	Medium	SB 86 and HB 1265 - Partridge Amendment	HB 1175 - Early Learning SB 179 - School General Fund Levies HB 1139 - Capital Outlay Rules HB 1115 & SB 170 - More Time for Local Referendums	SB 59 - Court Settlements w/Go Made Public HB 1272 - Electronic Notary Witness SB 189 - Pipeline Cost SB 190 - Recovery/Funds SB 12 - Drug Tests with Fluids Other than Blood
	Minimal		HB 1103 - Lemon Laws	SB 120 - Noncompete Limit HB 1118 - Excise Tax Car Rebates

Below is a detailed explanation of the bills that appear on the grid above. For the bills that are listed as having a high level of impact, this report shows the bill number; summary of what the bill does; the prime sponsor in the Senate and House of Representatives; the Chamber's position; the other groups that had the same position as the Chamber; the final outcome and key votes in committee and on the floor of the House and Senate.

For bills that had medium or minimal impact, the report provides less detail and a more general summary of each bill and the Chamber's position and outcome. Here are the details about the twenty-two bills on the Chamber's priority grid.

Here are the twenty-two bills discussed most often by the Board of Directors and worked on by the South Dakota Chamber of Commerce and Industry that have the most significant impact on members of the Chamber and all businesses in South Dakota.

High Impact - High Engagement

House Bill 1173 – Permit the possession of firearms by certain employees (aka Guns in Trunks).

Prime Sponsors: Rep. Johnson (Kevin) (R-Canton) & Sen. Russell (R-Hot Springs)

Summary: Would prohibit companies from enforcing policies that prohibit employees from having firearms in their vehicles. As initially drafted, the bill protected employees' right to carry a firearm if it is used for "self-protection". That language was removed and a section acknowledging the Federal government requirements for "firearm-free" zones was allowed as an exemption.

Chamber Position: Opposed, this is an infringement on property rights.

Others with Same Position:

Justin G. Smith, Community Support Providers of South Dakota
David Owen, South Dakota Chamber of Commerce & Industry
Nathan Sanderson, South Dakota Retailers Association
Grace Beck, Sanford Health
Julie M Johnson, South Dakota Society of Human Resource Managers
Lynn Kendall, Rapid City Area Chamber of Commerce
Deb Mortenson, Association of General Contractors
Debra Owen, Sioux Falls Area Chamber of Commerce

Final Outcome: Defeated on the House Floor on a vote of 32-Yea to 36-Nay

Committee Vote: Passed 7 Yea to 4 Nay – 2 Excused

Support Chamber Position: Anderson, McCleerey, Dennert, and Smith (Jamie)

Oppose Chamber Position: Beal, Goodwin, Gosch, Hansen, Haugaard, Jensen (Kevin), Qualm

Excused: Diedrich, Peterson (Kent)

Floor Vote: Failed 32 Yea to 36-Nay – 2 Excused

Support Chamber Position (36-Nay):

Anderson, Bartels, Barthel, Bordeaux, Borglum, Chase, Cwach, Dennert, Diedrich, Duba, Duvall, Goodwin, Healy, Hunhoff, Johns, Johnson (David), Karr, Koth, Lake, Lesmeister, McCleerey, Milstead, Miskimins, Olson, Peterson (Kent), Poirier, Reed, Ring, Rounds, Saba, Schoenfish, Smith (Jamie), Sullivan, Willadsen, York, Zikmund

Oppose Chamber Position (32-Yea):

Beal, Brunner, Chaffee, Deutsch, Finck, Glanzer, Gosch, Greenfield (Lana), Gross, Hammock, Hansen, Haugaard, Howard,

Jensen (Kevin), Johnson (Chris), Latterell, Livermont, Marty, Mills, Mulally, Otten (Herman), Perry, Peterson (Sue), Pischke, Post, Qualm, Rasmussen, Reimer, St. John, Steele, Weis, Wiese

Excused:

Fry-Mueller, Randolph

Senate Bill 49 – Declare void the transgender procedure adopted by the South Dakota High School Activities Association and to establish a determinant in identifying a student's sexual identity for the purpose of participation in high school athletics.

Prime Sponsors: Rep. Bolin (R-Canton) & Rep. Brunner (R-Nisland)

Summary: Would have overridden the High School Association policy to address issues of transgender students competing in sports on a case-by-case basis and issued a policy that gender on birth certificates would be the sole determination of sports team participation.

Chamber Position: Opposed, Chamber opposed any policy that might risk economic consequences regarding conventions, entertainment and tournaments.

Others with Same Position:

Dan Swartos, South Dakota H. S. Activities Association
Terry Nebelsick, self, Huron
Susan Bill, self, Sioux Falls
Wade Pogany, Associated School Boards of South Dakota (Handout(s): #3)
Debra Owen, Sioux Falls Area Chamber of Commerce
Sister Kathleen Bierne, Presentation Sisters of Aberdeen
Vaughn Hennen, self, Madison
Sandra Marie Waltman, South Dakota Education Association
Dianna Miller, Large School Group
Roger Tellinghuisen, Human Rights Campaign
Elizabeth A Skarin, American Civil Liberties Union Foundation Inc
Samuel J. Nelson, Sioux Falls School District
Jenae Kristine Hansen, National Association of Social Workers-South Dakota
Lawrence Novotny, Equality School Association
Mitch Richter, United School Association of South Dakota

Final Outcome: Defeated in Senate Education Committee

Committee Vote: Deferred to 41st day on a vote of 5-Yea to 2-Nay

Support Chamber Position: Curd, Heinert, Smith (VJ), Solano, Steinhauer

Oppose Chamber Position: Bolin, Jensen (Phil)

Excused: None

Senate Bill 117 – Authorize Spanish to be used in the process of issuing certain driver licenses and permits.

Prime Sponsors: Nesiba (D-Sioux Falls) & Duba (D-Sioux Falls)

Summary: Would have made it legal to publish the non-commercial driver's license manual and test in Spanish by 2020 so non-English speaking workers could learn the rules of driving in order to get to work and fill the jobs looking for workers.

Chamber Position: Support

Others with Same Position: Proponents

Christy Nicolaisen, Multi-Cultural Center by phone
Debra Owen, Sioux Falls Area Chamber of Commerce
Deb Mortenson, AGC of South Dakota
Sister Lynn Marie Welbig, Presentation Sisters of Aberdeen
Nex Ramirez, self, Sioux Falls (Handout #3)
Jenae Kristine Hansen, South Dakota Voices for Justice
Deb Fischer-Clemens, Avera Health
David Owen, South Dakota Chamber of Commerce & Industry
J. B. Meyers, self, Winfred
Tim Dougherty, South Dakota Home Builders Association
Representative Linda Duba
Lynn Kendall, Rapid City Area Chamber of Commerce
Julie M. Johnson, self, Aberdeen
Matt Krogman, Brookings Economic Development Corp.

Final Outcome: Passed Senate Transportation Committee and Senate Floor vote
Failed in House State Affairs Committee

Senate Transportation Committee Vote: Do pass 5-Yea to 1-Nay

Support Chamber Position: Blare, Foster, Russell, Soholt, Solano

Oppose Chamber Position: Monroe

Excused: Otten (Ernie)

Senate Floor Vote: Do Pass 19-Yea to 15-Nay Excused – 1

Support Chamber Position:

Blare, Bolin, Cronin, Curd, Foster, Greenfield (Brock), Heinert, Kennedy, Kolbeck, Langer, Nesiba, Novstrup, Smith (VJ),
Solholt, Solano, Steinhauer, White, Wismer, Youngberg

Oppose Chamber Position:

Cammack, DiSanto, Ewing, Jensen (Phil), Klumb, Maher, Monroe, Nelson, Otten (Ernie), Partridge, Russell, Schoenbeck,
Stalzer, Sutton, Wiik

Excused: Rusch

House State Affairs Committee Vote: Do Pass Failed 5-Yea to 8-Nay

Support Chamber Position:

Anderson, Diedrich, McCleerey, Peterson (Kent), Smith (Jamie)

Oppose Chamber Position:

Beal, Dennert, Goodwin, Gosch, Hansen, Haugaard, Jensen (Kevin), Qualm

High Impact - Medium Engagement

House Bill 1111 – Provide for professional or occupational licensure for certain active duty military personnel and spouses.

Prime Sponsors: Rep. Diedrich (R-Rapid City) & Sen. Partridge (R-Rapid City)

Summary: Allows active duty personnel and spouses that are transferred into South Dakota to work in licensed professions and skilled trades using the licenses granted from other states. Viewed as essential to Ellsworth AFB getting B-21 Training Mission (which was awarded).

Chamber Position: Support (*Did not testify with agreement of lead organization - Left time to out-of-town people*)

Others with Same Position: Proponents

Scott Landguth, Ellsworth Development Authority
Lauren Kimball, self, Rapid City
Natasha Landry, self, Ellsworth Air Force Base
Kyra Ringwald, self, Summerset
Steve Allender, City of Rapid City
Justin G. Smith, American Institute of Architects of South Dakota
Lynn Kendall, Rapid City Area Chamber of Commerce
Debra Owen, Sioux Falls Area Chamber of Commerce
Justin Bell, South Dakota Design Professionals Coalition
Aaron Scheibe, Office of the Governor
Representative Scyller Borglum

Final Outcome: Passed and signed by Governor

Committee Vote: Passed both committees with no opposing votes

Floor Vote: Passed House of Representatives and Senate with no opposing votes

House Bill 1034 – Revise certain provisions regarding unemployment insurance contribution rates.

Prime Sponsor: House Commerce and Energy Committee at request of Dep't. of Labor

Summary: Bill reduces UI rates because the Trust Fund balance exceeds agreed level.

Chamber Position: Support

Others with Same Position: Proponents

David Owen, South Dakota Chamber of Commerce & Industry
Deb Mortenson, AGC of SD
Lindsey Riter - Rapp, National Federation of Independent Business (South Dakota)
Julie M Johnson, South Dakota Society of Human Resource Managers (Pierre, SD)
Lynn Kendall, Rapid City Area Chamber of Commerce (Rapid City, SD)
Debra Owen, Sioux Falls Area Chamber of Commerce
Jim Hood, South Dakota Retailers Association (Pierre, SD)

Final Outcome: Passed Legislature and signed by Governor

Committee Vote: Passed both committees with any negative votes

Floor Vote: Passed House of Representatives and Senate with only one “Nay” vote.

(Nesiba-D Sioux Falls)

House Bill 1102 – Establish certain provisions regarding fairness in repairs of equipment sold or used in this state.

Prime Sponsor: Pischke (R-Dell Rapids) on behalf of Latterell (R-Tea)

Summary: Would have forced manufacturers to contract with independent repairs shops, share equipment, computer codes and other data with them

Chamber Position: Opposed

Others with Same Position: Opponents

Dean Krogman, MN-SD Equipment Dealers Association
Matthew Larsgaard, North Dakota Implement Dealers Association (Handout(s): No. 1)
Dan Noteboom, Noteboom Implement, self, Corsica (Handout(s): No. 2)
David Owen, South Dakota Chamber of Commerce & Industry
Bill Van Camp, SD retailers
Matt Konenkamp, Security Innovation Center, Pierre
Myron L. Rau, South Dakota Auto Dealers Association
Drew Duncan, Verizon Communications

Opposed to Chamber Position (Supporting the Bill): Proponents

Representative Isaac Latterell
Chris Nelson, self, Sioux Falls
Gay Gordon-Burns, self, NY, NY
Mitch Richter, South Dakota Farmers Union
Dustin Van Balen, Repair org, self, Pierre
Ryan Moeckly, self, Amherst

Final Outcome: Died in House Commerce and Energy Committee

Committee Vote: Motion to defer to the 41st day passed 12-Yeas to 1-Nay

Support Chamber Position: Beal, Gosch, Johnson (Chris), Lake, Milstead, Miskimins, Perry, Rounds, Sullivan, Weis, Willadsen, Zikmund

Oppose Chamber Position: McCleerey

High Impact - Minimal Engagement

Senate Bill 37 – Revise certain provisions regarding association health plans.

Prime Sponsor: The Committee on **Commerce and Energy** at the request of the Department of Labor and Regulation

Summary: Sets up state laws to allow associations and groups of businesses or non-profits to purchase health insurance plans. Designed to help implement a change in federal rules by the US Department of Labor.

Chamber Position: Neutral, viewed as a technical insurance bill, the Chamber did not take action on bill. The

Chamber is interested in making use of the law.

Proponents:

Jeff G. Olson, Credit Union Association of the Dakotas (Handout(s): 2)
Brett Koenecke, South Dakota Bankers Association
Dean Krogman, MN-SD Equipment Dealers Association
Randy Moses , Independent Insurance Agents of South Dakota (Ft Pierre, SD)
Bill Van Camp, SD retailers
Paul H Knecht , South Dakota Dental Association (Pierre, SD)
Deb Mortenson, South Dakota Chiropractors Association
Darla Pollman Rogers, NAIFA-SD
Justin G. Smith, Wellmark of South Dakota, Inc.
Debra Owen, Sioux Falls Area Chamber of Commerce
Tim Rave , SD Association Of Healthcare Organizations (Sioux Falls, SD)
Corey Brown, Sanford Health
Senator Lynne DiSanto

Final Outcome: Passed both committees and both floor votes without any dissenting votes.

Medium Impact - High Engagement

Senate Bill 86 / House Bill 1265 – The Partridge Amendment follow up.

Prime Sponsor: Sen Partridge (R-Rapid City)/ Rep. Karr (R-Sioux Falls)

Summary: Both bills attempted to clarify how the “Partridge Amendment” that was attached to the sales tax increase in 2016 would actually be implemented. The amendment called for a reduction in the state tax rates if internet sales were ever allowed to be taxed. The two bills proposed four different methods of addressing the issue.

Chamber Position: Support SB 86 and directing the information regarding internet sales tax revenue to the Appropriations Committee for determination of best use.

Final Outcome: After many amendments, including switching the texts between the two bills, neither bill was approved. The issue will be resolved by a future legislature.

Medium Impact - Medium Engagement

House Bill 1175 - Establish the Early Learning Advisory Council.

Prime Sponsors: Rep. Healy (D-Sioux Falls) and Sen. Nesiba (D-Sioux Falls)

Summary: Would have established an official advisory Council appointed by the Governor to evaluate early childhood educational opportunities as part of a national effort to see what options are available for at-risk young people.

Chamber Position: Support

Others with Same Position: Proponents

Kathy N. Cruse, South Dakota Head Start Association
Rob L. Monson, School Administrators of South Dakota

Rhonda Cruse, self, Huron
Senator Reynold Nesiba
Kimberly Horn, self, Sioux Falls
Sister Kathleen Bierne, Presentation Sisters of Aberdeen

Dianna Miller, Large School Group
Mitch Richter, South Dakota Farmers Union
Mitch Richter, United School Association of South Dakota
Sandra Marie Waltman, South Dakota Education Association
Debra Owen, Sioux Falls Area Chamber of Commerce
Billy Mawhiney, self, Sioux Falls

Final Outcome: Bill died in House State Affairs Committee. Motion Do Pass failed on a vote of 2-Yea to 9-Nay. Motion to defer to 41st day passed with 9-Yea to 2-Nay.

Committee Vote: on “Do Pass” motion

Support Chamber Position: McCleerey, Smith (Jamie)

Oppose Chamber Position: Anderson, Beal, Dennert, Goodwin, Gosch, Hansen, Haugaard, Jensen (Kevin), Peterson (Kent), Qualm

Excused: Diedrich

Senate Bill 179 - Revise the property tax levies for the general fund of school districts and to revise the state aid to education formula.

Prime Sponsor: The Committee on Appropriations at the request of the Office of the Governor

Summary: Annual Cutler/Gabriel adjustment to school general fund levies

Chamber Position: Review to assure taxes are spread between classes of property in an equitable manner and Support.

Final Outcome: After much delay and the usual Kabuki Theater, the bill passed

House Bill 1139 - Repeal provisions regarding maximum taxes levied by a school district for capital outlay.

Prime Sponsors: Rep. Gosch (R-Glenham) & Sen. Greenfield (Brock)

Summary: Schools are allowed to assess several property tax levies in addition to the general fund levy. One of these is the capital outlay levy which is capped at 3 mils (\$3 tax/\$1,000 value). Additional limits were imposed when the state sales tax was increased in 2016. This bill would have repealed those additional limits.

Chamber Position: Opposed

Others with Same Position: Opponents

Matt Flett, Department of Education
Michael Held, South Dakota Farm Bureau Federation
Nathan Sanderson, South Dakota Retailers Association
David Owen, South Dakota Chamber of Commerce & Industry
Florence Thompson, self, Caputa, South Dakota

Brenda Forman, South Dakota Cattlemen's Association
Grace Beck, South Dakota Corn Growers Association

Final Outcome: Passed out of House Education Committee (11-Yea to 3-Nay). Failed on House Floor 33-Yea to 35-Nay

Committee Vote: 11-Yea to 3-Nay

Support Chamber Position: Rasmussen, Reimer, Wiese

Oppose Chamber Position: Brunner, Deutsch, Glanzer, Greenfield (Lana), Healy, Latterell, Marty, Olson, Randolph, Ring, Steele

Excused: Johns

Floor Vote: 33-Yea to 35-Nay

Support Chamber Position:

Anderson, Bartels, Beal, Chaffee, Chase, Dennert, Diedrich, Duvall, Frye-Mueller, Glanzer, Goodwin, Hammock, Hansen, Howard, Hunhoff, Johns, Johnson (Chris), Karr, Koth, Latterell, Livermont, Marty, Mills, Milstead, Mulally, Perry, Peterson (Sue), Pischke, Post, Qualm, Reimer, Weis, Wiese, York, Zikmund

Oppose Chamber Position:

Barthel, Bordeaux, Borglum, Brunner, Cwach, Deutsch, Duba, Finck, Gosch, Greenfield (Lana), Gross, Haugaard, Healy, Jensen (Kevin), Johnson (David), Lake, Lesmeister, McCleerey, Miskimins, Olson, Otten (Herman), Pourier, Rasmussen, Reed, Ring, Rounds, Saba, Schoenfish, Smith (Jamie), St John, Steele, Sullivan, Willadsen

Excused: Peterson (Kent), Randolph

House Bill 1115 / Senate Bill 170 - Revise certain provisions regarding local referendums.

Prime Sponsors: Rep. Frye-Mueller (R-Rapid City) & Sen. DiSanto (R-Rapid City)

Summary: Both of these bills would have allowed 15 additional days for petitions to be circulated that would refer a local city ordinance to a public vote. County ordinances would get an additional 50 days.

Chamber Position: Opposed

Others with Same Position: Opponents

Yvonne Taylor, South Dakota Municipal League (Handout(s): No. 1)
Eric Erickson, South Dakota Association of County Commissioners (Handout(s): No. 2)

Final Outcome: Both bills died in their respective committees.

Medium Impact - Minimal Engagement

Senate Bill 59 – Revise certain provisions regarding public records.

Prime Sponsors: Rusch (R-Vermillion) & Rep. Johnson (David) (R-Rapid City)

Summary: Requires legal settlement with public entities to be open public records. These settlements

involving public funds cannot be sealed or confidential as part of the settlement agreement.

Chamber Position: No Position

Final Outcome: Passed the Senate with 23-Yea to 10-Nay; Passed the House with 54-Yea to 9-Nay.

House Bill 1272 – Provide for remote notarization.

Prime Sponsors: Johns (R-Lead) & Kennedy (D-Yankton)

Summary: Allows Notary Publics to witness a signature via electronic video and attach his/her seal at a later time along with an affidavit that they know the person signing the document.

Chamber Position: No Position

Final Outcome: Passed the House with 65-Yea to 0-Nay; Passed the Senate with 23-Yea to 10-Nay.

Senate Bill 189 – Establish a fund to receive civil recoveries to offset costs incurred by riot boosting, to make a continuous appropriation therefor, and to declare an emergency & **Senate Bill 190** – Promote pipeline construction and fiscal responsibility by establishing a fund, to authorize a special fee for extraordinary expenses, to make a continuous appropriation therefor, and to declare an emergency.

Prime Sponsor: The Committee on Appropriations

Summary: These were the bills submitted by Governor Noem to deal with potential problems with protests of the XL pipeline. One of the bills facilitates seeking recovery of costs from violent protests from agitators of that violence and the other seeks to establish a bond fund from the pipeline company itself.

Chamber Position: These were special bills that were introduced after a vote to suspend the rules and were an example of legislative leadership working with the Governor's office. The Governor did not seek broader public support. The Chamber took no position on these bills.

Final Outcome:

SB 189 passed the Senate with 30-Yea to 4-Nay; passed the House with 53-Yea to 13-Nay.

SB 190 passed the Senate with 31-Yea to 3-Nay; passed the House with 58-Yea to 8-Nay.

Senate Bill 12 – Revise certain provisions pertaining to the disqualification of commercial driver license holders for failure to consent to chemical analyses.

Prime Sponsor: The Committee on Transportation at request of the Department of Public Safety

Summary: Current law allows the use of blood to use as a test for alcohol – this bill will allow the use of chemical analysis.

Chamber Position: The Chamber did not take a position on this bill.

Final Outcome: Passed both the House and Senate with no opposing votes. Had no opposing votes House

Judiciary Committee and only 4 dissenting votes in Senate Judiciary.

Minimal Impact - Medium Engagement

House Bill 1103 – Establish a lemon law for certain farm machinery.

Prime Sponsor: Rep. Pischike (R-Dell Rapids)

Summary: Creates the same protections that Lemon Laws have for cars and extends those protections to certain kinds of farm machinery.

Chamber Position: No Position – Chamber had the bill held in committee to see if any industry objections could be found. After numerous contacts by several industry lobbyists no objections were heard.

Final Outcome:

Passed the House with 36-Yea to 32-Nay

Passed the Senate with 31-Yea and 1-Nay

Minimal Impact - Minimal Engagement

Senate Bill 120 – Modify the time period allowable for certain covenants not to compete.

Prime Sponsors: Greenfield (R-Clark) & Rep. Peterson (Sue) (R-Sioux Falls)

Summary: South Dakota law limits non-compete agreements to two years. SB 120 would have reduced that legal maximum to one year.

Chamber Position: Neutral

Final Outcome:

Passed out of Senate Commerce and Energy Committee with 4-Yea to 3-Nay

Failed to pass Senate with 16-Yea to 18-Nay votes

House Bill 1118 – Revise provisions regarding excise taxes on the purchase price of motor vehicles.

Prime Sponsors: Rep. Johnson (David) (R-Rapid City) & Sen. Russell (Hot Springs)

Summary: The excise tax on cars is assessed on the price of the car including any rebates that the dealership gets from manufacturers which lowers the price paid by the person purchasing the car. This bill would deduct the amount of the rebate from the amount of the purchase for the purpose of excise tax.

Chamber Position: Opposed, it reduces funding for highways.

Final Outcome:

Passed the House floor with 48-Yea to 17-Nay

Failed in Senate Taxation Committee on a motion to defer to the 41st day which passed with 4-Yea to 1-Nay

Thank you for your support of the South Dakota Chamber of Commerce & Industry.