

AN ACT

ENTITLED, An Act to authorize production incentive payments for ethanol derived from biomass.

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

Section 1. That § 10-47B-162 be amended to read as follows:

10-47B-162. A production incentive payment of twenty cents per gallon is available to ethanol producers for ethyl alcohol which is fully distilled and produced in South Dakota. To be eligible for this payment, the ethyl alcohol shall be denatured and subsequently blended with gasoline to create ethanol blend. The ethyl alcohol shall be ninety-nine percent pure and shall be distilled from cereal grains or biomass. Annual production incentive payments to any producer may not exceed one million dollars. No producer may receive any production incentive payments in an amount greater than ten million dollars. The cumulative annual production incentive payments made under this section may not exceed an amount which has been appropriated by the Legislature for this purpose and has been deposited into the ethanol fuel fund in the state treasury. Payments from the ethanol fuel fund shall be made on a first in time basis until the fiscal year appropriation is reached. During the month when the appropriation limit is to be reached, all claims received by month end shall be reimbursed proportionately on a pro-rata basis for each gallon claimed.

Section 2. That § 10-47B-165 be amended to read as follows:

10-47B-165. The ethanol production payment claim form shall contain the following elements:

- (1) The licensee's name and license number and the ethanol production period for which payment is being claimed;
- (2) An inventory summary which identifies any unblended, but qualified, ethanol on hand at the beginning of the claim period, plus any ethanol refined during the claim period, less any ethanol sold during the period which results in the inventory on hand at the end of the claim period;
- (3) Information specifying the amount of ethanol sold and blended during the claim period;

- (4) A production payment calculation section which identifies the amount of production payment being claimed on qualified ethanol for the claim period; and
- (5) The claimant's signature on a certification statement which affirms that the ethanol was produced from cereal grain or biomass at a facility located in this state and that the information contained on the claim form is accurate and complete.

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I certify that the attached Act
originated in the

HOUSE as Bill No. 1135

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1135

File No. _____

Chapter No. _____

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Received at this Executive Office
this ____ day of _____ ,

19__ at ____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 19__

Governor

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STATE OF SOUTH DAKOTA,
SS.
Office of the Secretary of State

Filed _____, 19__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State