

# State of South Dakota

SEVENTY-FIFTH SESSION  
LEGISLATIVE ASSEMBLY, 2000

375D0839

## HOUSE CONCURRENT RESOLUTION NO. 1016

Introduced by: Representatives Diedrich (Elmer), Broderick, Brooks, Chicoine, Duniphan, Engbrecht, Garnos, Hagen, Hanson, Jaspers, Kazmerzak, McNenny, Peterson, Smidt, Sutton (Duane), Volesky, Weber, and Wetz and Senators Frederick, Albers, Brown (Arnold), Duxbury, Hutmacher, Shoener, and Symens

1 A CONCURRENT RESOLUTION, Supporting the amendment of federal laws and regulations  
2 to encourage biological processing as a form of value-added agricultural development.

3 WHEREAS, farmers and ranchers operating as cooperatives seek to add value to agricultural  
4 commodities; and

5 WHEREAS, the feeding of agricultural commodities to livestock produces a higher valued  
6 product in the form of livestock and livestock products; and

7 WHEREAS, this process is recognized as biological processing; and

8 WHEREAS, the United States Internal Revenue Code of 1986 does not recognize biological  
9 processing as a value-added agricultural industry marketing tool; and

10 WHEREAS, there are other statutory or regulatory definitions in federal programs such as  
11 the Small Business Administration and United States Department of Agricultural that do not  
12 recognize biological processing as a form of value-added agricultural development creating a  
13 barrier to value-added agricultural development:

14 NOW, THEREFORE, BE IT RESOLVED, by the House of Representatives of the Seventy-  
15 fifth Legislature of the State of South Dakota, the Senate concurring therein, that the South

1 Dakota Legislature requests the United States Congress to enact legislation amending § 1388  
2 of the Internal Revenue Code of 1986 and other federal laws and regulations to include  
3 biological processing as a means of value-added processing through animals.