

# State of South Dakota

SEVENTY-NINTH SESSION  
LEGISLATIVE ASSEMBLY, 2004

400J0324

HOUSE AGRICULTURE AND NATURAL RESOURCES

COMMITTEE ENGROSSED NO. **HB 1022** -

01/27/2004

Introduced by: The Committee on Agriculture and Natural Resources at the request of the  
Department of Agriculture

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the American Dairy  
2 Association and the state dairy check-off program.

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

4 Section 1. That chapter 40-31 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 The secretary of agriculture may enter agreements to fund or conduct dairy promotion efforts  
7 in cooperation with regional and national dairy promotion programs, on behalf of the American  
8 Dairy Association of South Dakota.

9 Section 2. That § 40-31-2 be amended to read as follows:

10 40-31-2. There is hereby created an American Dairy Association of South Dakota. This  
11 association shall be composed of three dairy producers and two dairy processors who are  
12 residents of this state; ~~provided that no individual engaged in the production or distribution of~~  
13 ~~butter substitutes shall be eligible to serve on this commission;~~ with the secretary of agriculture  
14 or ~~his~~ the secretary's representative ~~and,~~ the head of the dairy ~~Husbandry~~ department of the



1 South Dakota State University, and the state executive member of the American Dairy  
2 Association acting as ~~ex-officio~~ nonvoting members.

3 Section 3. That § 40-31-3 be amended to read as follows:

4 40-31-3. The Governor shall appoint the producer members of the American Dairy  
5 Association ~~shall be appointed by the Governor~~ from among a list of nominees supplied by the  
6 ~~South Dakota Federation of Dairy Farmers, said list to be at least twice the number of~~  
7 ~~appointments to be made~~ any statewide nonprofit dairy organization incorporated under state  
8 law, for a period of three years, beginning on July first with one producer member to be  
9 appointed each year as the terms of previous appointees ~~shall expire~~ expire. The list of nominees  
10 shall comprise at least twice the number of appointments to be made.

11 Section 4. That § 40-31-9 be amended to read as follows:

12 40-31-9. There is hereby levied an assessment of ~~not less than .5 of one percent and not~~  
13 ~~more than two percent of the gross value of~~ ten cents per hundred weight on all milk and cream  
14 produced in the State of South Dakota, which rate shall be established and set on or before July  
15 first of each calendar year by the American Dairy Association, provided, however, that state.  
16 However, the provisions of this section shall do not apply to milk and cream produced outside  
17 of the State of South Dakota state or to milk and cream consumed upon the farm where  
18 produced. Any change in the assessment rate can only be made in increments of not to exceed  
19 ~~.25 of one percent per annum~~.

20 Section 5. That § 40-31-12 be amended to read as follows:

21 40-31-12. All dealers and producers charged under this chapter with the obligation of  
22 collecting and remitting the assessment imposed by this chapter shall keep a complete and  
23 accurate record of all milk and cream subject to assessments by this chapter which may be  
24 handled. ~~Such~~ The record shall be in such form and contain such information and be reported

1 to the South Dakota Department of Agriculture at such times as the American Dairy Association  
2 may prescribe, ~~and~~. The record shall be preserved by the person charged with ~~their making~~  
3 keeping the record for a period of two years ~~and shall be~~. The record is subject to inspection by  
4 the South Dakota Department of Agriculture, ~~or its authorized agents or employees.~~