

State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

400B0330

SENATE AGRICULTURE AND NATURAL RESOURCES

ENGROSSED NO. **SB 43** - 1/29/2019

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

1 FOR AN ACT ENTITLED, An Act to redirect funding to a collaborative program in rural
2 veterinary medical education and to provide tax revenue for the support of veterinary
3 students.

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

5 Section 1. That § 13-49-20.14 be amended to read:

6 13-49-20.14. The Board of Regents may negotiate and enter into contractual agreements
7 with ~~Iowa State University~~ the University of Minnesota or a future other accredited institution
8 of higher education collaborating with South Dakota State University veterinary program for
9 final degree completion, to reserve spaces for South Dakota ~~resident~~ State University students
10 ~~entering the course of~~ completing the remaining requirements for a degree in veterinary
11 medicine.

12 Section 2. That § 10-45-16.1 be amended to read:

13 10-45-16.1. There are hereby specifically exempted from the provisions of this chapter and
14 from the computation of the amount of tax imposed by it, gross receipts from the sale of



1 pesticides, as defined in § 38-20A-1, to be used exclusively by the purchaser for agricultural
2 purposes. Any product or substance to be used in conjunction with the application or use of
3 pesticides for agricultural purposes is also exempt. The products or substances include
4 adjuvants, surfactants, ammonium sulfate, inoculants, drift retardants, water conditioners, seed
5 treatments, foam markers, and foam dyes. Equipment, other than farm machinery, attachment
6 units, and irrigation equipment used exclusively for agricultural purposes for the application of
7 pesticides and related products and substances is not exempt. The tax imposed by this chapter
8 on endoparasiticides and ectoparasiticides shall be used for veterinary student tuition grants, for
9 South Dakota residents in the South Dakota State University veterinary program, South Dakota
10 State University veterinary program operations, and the operations and activities conducted by
11 the State Animal Disease Research and Diagnostic Laboratory established in § 13-58-13. The
12 amount of funding initially dedicated for to establish the tuition grants and the laboratory South
13 Dakota State University veterinary program operations shall be based upon the difference
14 between in-state and out-of-state tuition for veterinary student grants ~~plus an amount of two~~
15 ~~hundred fifty thousand dollars~~ designated for South Dakota students at the Iowa State University
16 veterinary program in fiscal year 2020, of which at least seventy-five percent shall be used to
17 fund tuition grants for South Dakota residents in the program. The portion designated for tuition
18 grants shall be adjusted annually based on the difference between the prior year and current year
19 tuition rate for veterinary program at the University of Minnesota, or other future accredited
20 institution of higher education collaborating with South Dakota State University veterinary
21 program for final degree completion. An additional amount of two hundred fifty thousand
22 dollars shall be used to support the operations of the laboratory. The funding shall be budgeted
23 and expended through the general appropriations act pursuant to chapter 4-7.

24 Section 3. That § 10-46-17.5 be amended to read:

1 10-46-17.5. ~~The use in this state of pesticides~~ Pesticides, as defined in § 38-20A-1 to be used
2 exclusively for agricultural purposes ~~is specifically exempted,~~ are exempt from the tax imposed
3 by this chapter. Any product or substance to be used in conjunction with the application or use
4 of pesticides for agricultural purposes is also exempt. These products or substances include
5 adjuvants, surfactants, ammonium sulfate, inoculants, drift retardants, water conditioners, seed
6 treatments, foam markers, and foam dyes. Equipment, other than farm machinery, attachment
7 units, and irrigation equipment used exclusively for agricultural purposes, for the application
8 of pesticides and related products and substances is not exempt. The tax imposed by this chapter
9 on endoparasiticides and ectoparasiticides shall be used for veterinary student tuition grants, for
10 South Dakota residents in the South Dakota State University veterinary program, South Dakota
11 State University veterinary program operations, and the operations and activities conducted by
12 the State Animal Disease Research and Diagnostic Laboratory established in § 13-58-13. The
13 amount of funding initially dedicated ~~for~~ to establish the tuition grants and ~~the laboratory~~ South
14 Dakota State University veterinary program operations shall be based upon the difference
15 between in-state and out-of-state tuition for veterinary student grants ~~plus an amount of two~~
16 ~~hundred fifty thousand dollars~~ designated for South Dakota students at the Iowa State University
17 veterinary program in fiscal year 2020, of which at least seventy-five percent shall be used to
18 fund tuition grants for South Dakota residents in the program. The portion designated for tuition
19 grants shall be adjusted annually based on the difference between the prior year and current year
20 tuition rate for the veterinary program at the University of Minnesota, or other future accredited
21 institution of higher education collaborating with South Dakota State University veterinary
22 program for final degree completion. An additional amount of two hundred fifty thousand
23 dollars shall be used to support the operations of the laboratory. The funding shall be budgeted
24 and expended through the general appropriations act pursuant to chapter 4-7.

1 Section 4. That the code be amended by adding a NEW SECTION to read:

2 At least six of the students receiving tuition grants each year pursuant to this Act shall be
3 required to complete the graduate veterinary medicine education requirements to become a
4 practicing veterinarian, commence practicing veterinary medicine in South Dakota within one
5 year of graduation, and continue practicing veterinary medicine in South Dakota for at least four
6 years thereafter. The Board of Regents shall enforce the requirements of the program in
7 accordance with its authority as set forth in § 13-49-20.5.