

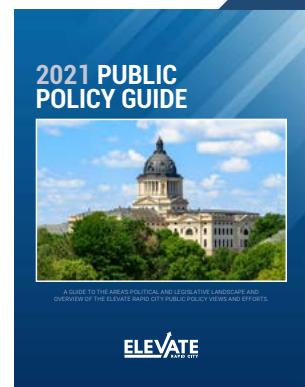
The 96th Legislative Session has begun!



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These Government Affairs Connection Newsletters serve as a tool to keep you briefed and prepared for the headlines that will emerge in the following days. We appreciate your attention to a crucial part of conducting business in the Black Hills: following public policy to understand what precedes major change (and obstacles) that impact you and your employees.



Have you seen the 2021 Public Policy Guide?
Click the cover to learn about our platform!

Governor Noem's State of the State



GOV. NOEM

"South Dakota is open for business!"

We kick off this Session with the State of the State Address given by **Governor Noem** last Tuesday. This customary speech opens the legislative session, delivered before both houses of the state legislature sitting in joint session. The address satisfies a constitutional stipulation that a governor must report annually, or in older constitutions described as being "from time to time", on the state or condition of a U.S. state.

This year's State of the State has a markedly different theme than what was witness last year with the announcement: "**South Dakota is open for business!**" Much has changed throughout the world, around the country, and especially within our local communities since January of 2020. The phrase "open for business" took on new meaning as we navigated the year with the challenges

presented by COVID-19, and you can expect a laser-focus this legislative session on our state's continued path to economic recovery.

Governor Noem maintained her rhetoric that South Dakota is the "perfect place to raise your family, grow your business, and live your life as you see fit," with a heightened focus on the strength of South Dakota's families in her 2021 priorities overview.

The administration's COVID-19 response was a recurring topic throughout the address, and Governor Noem acknowledged the state's medical community and the long hours worked by providers over the past year. She touched on expected topics such as appreciation for our veterans and military and South Dakota's great outdoors, but the administration's substantial policy recommendations are outlined below:

Supporting South Dakota's strong families

- Promoting broadband access to create an environment where families are not forced to choose between the modern economy and life in their hometown
- Requesting support for a bill that bans the abortion of a preborn child for the sole reason that the child is diagnosed with Down syndrome

Reinvigorating the agriculture industry

- Committing funds for meat processing grants for small operations
- Investment in the Dakota Events Complex in Huron to replace the Beef Complex building
- Creating a program to give farmers more opportunity to market South Dakota meat products
- Merging the Departments of Agriculture and DENR

Removing government red tape in healthcare

- Supporting making flexible options permanent to expand access to telehealth
- Continued support for suicide prevention, mental health, and substance abuse

Capturing opportunity in tourism

- Building on momentum to ensure future growth through a new strategic plan to guide efforts for the next several years, including promotion of the state in new markets and targeting key demographics with interest in our parks, history, culture, and great outdoors

Improving civic education in public schools

- Committing to create instructional materials and classroom resources on America's founding, our nation's history, and the state's history.

Increasing opportunities through education

- Supporting a \$40 million investment over the next five years to match South Dakota students with high-demand career opportunities through the Build Dakota Scholarship
- Creating the PREMIER Scholarship, a needs-based scholarship endowment for our state with a request to the legislature to allocate \$50 million in one-time money

Budget, appropriations, and South Dakota's financial situation

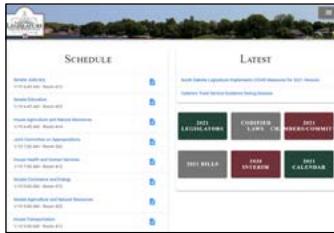
In 2020, South Dakota received an unprecedented amount of money from the federal government: nearly \$4 billion in federal transfers and \$1.25 billion in COVID-19 relief funds. These transfers equaled 7% of the entire value of South Dakota's economy.

Each year during the first week in December, the Governor outlines the state's financial situation during the annual Budget Address. In preparation for the 2021 Session, Governor Noem recommended a total of \$186,582,534 in emergency special appropriations of one-time dollars that reflect this unique financial situation. Expect this Session for a lot of work to be done by legislators and the administration as they negotiate how to properly invest the outstanding funds into local communities.

We are excited that a few of the Governor's special appropriation projects will have direct impact in the Black Hills:

Broadband Expansion	\$100,000,000 to increase access to broadband services throughout South Dakota
Meat Processing Grants	\$5,000,000 for a meat processing grant program to assist South Dakota meat processors in responding to market and workforce disruptions due to the pandemic.
Ellsworth Air Force Base Recreational Center	\$3,200,000 to support a new recreational center on Ellsworth Airforce Base to support Airmen and Airwomen and their families.
Fire Suppression Fund	\$973,514 to be deposited into the Fire Suppression Fund for costs related to the suppression of wildfires in South Dakota.
STAR Academy	\$1,740,00 for the demolition of the Administration building on the STAR property in western South Dakota.
Rural Recruitment Assistance Programs	\$811,967 to recruit medical professionals to rural communities
Custer State Park - Bison Visitor Center	\$500,000 in general funds and \$4,500,000 in other fund expenditure authority to construct a bison visitor center near the corrals in Custer State Park to enhance visitor experience.

Legislation watch



In the opening weeks of session, legislators circulate potential legislation for sponsors and support. Bills usually trickle into the **Legislative Research Council** (LRC) slowly the first week and then speed up the following week. As bills are introduced, we will be reviewing them for impact to business and economic development. Our legislative platform is broad, so a lot of time is spent reviewing and researching bills, gauging their potential impact.

You can follow any specific legislation of interest through the LRC site at www.sdlegislature.gov.

As of January 17, 2021, there already were 56 bills introduced in the House, 1 House Concurrent Resolution, and 76 bills introduced in the Senate.

When the 2020 Session closed last year, almost 480 pieces of legislation had been introduced over the course of 37 days.

Bills we're tracking

So far, there are just a few bills to bring to your attention:

House Bill 1046:

Representative David Anderson (R-16) and Senator Mike Diedrich (R-34)

HB 1046 limits lawsuits against businesses brought by people looking to recover damages from having been exposed to COVID-19. Some form of this legislation has been passed in many states across the US already, and due to the lack of action at the federal level, likely more will be introduced as other state legislatures convene.

What to know: There are sections that deal with a variety of parties, such as: various premises including a tenant lessee or occupant where people invite others, health care providers, and those who participate in the design, manufacturer, label, sell, distribution or donation of PPE or other products qualified in response to COVID-19.

Would these bills have a substantial impact to your practice or industry field? Please [contact me](#).

House Bill 1006: Revise certain provisions regarding the practice of chiropractic.

House Bill 1009: Revise certain provisions regarding the licensing of electricians and electrical contractors.

House Bill 1016: Revise the structure and certain fees of the Board of Barber Examiners, the Board of Massage Therapy, and the Cosmetology Commission.

What's going on with marijuana?



Truthfully, not much. Yet. The Governor has recommended appropriations for implementation of the programs, but little has been offered in terms of legislation so far.

House Bill 1061:

Rep. Mary Fitzgerald (R-31)

HB 1061 would prohibit smoking marijuana and its derivatives in a motor vehicle and create a penalty therefor.

What issues or questions do you have about the legalization of marijuana? What should legislators know from the Black Hills business community about the changes and impact you anticipate? [Email me your comments!](#)

Leadership

Leadership and committee chairs have been set for both the House and the Senate. Click below to see the line-up.

[Senate Leadership and Committee Chairs](#)

[House Leadership and Committee Chairs](#)

2021 Crackerbarrels

This year's Crackerbarrels are scheduled!

- Saturday, January 30
- Saturday, February 20
- Saturday, February 27
- Saturday, March 6

All events held at the Western Dakota Tech Event Center from 9-11 a.m. To watch the crackerbarrels from home, visit [elevaterapidcity.com/crackerbarrel](#).

Business Day at the Legislature

The South Dakota Chamber of Commerce will host a **2021 Virtual Business Day at the Legislature** this year on February 17. [Click here](#) for more information and registration.

Thanks for your support of Elevate Rapid City. Until next week!