

Volume 22 • Number 4

November 2006

Farm bill concept needs grassroots input

By Lisa Richardson, Executive Director, South Dakota Corn Growers Association

With the November election getting ready to take place, our new Congress will be writing the next farm bill. Nothing, other than Mother Nature, affects our profitability more than the farm bill.

Several new perspectives have come forward for discussion regarding the next farm bill. The South Dakota Corn Growers Association has taken the position of supporting the new concept called the Base Revenue Protection plan. SDCGA board directors David Gillen and Darin Ihnen have worked tirelessly with the National Corn Growers Association to find a program that works well for all parts of the nation.

The basic premise of the plan is to provide net revenue insurance. In South Dakota we have had disasters and bumper yields in the same year depending upon your

location. We have had large loan deficiency payments for people who get a crop.

Base Revenue Protection is designed to improve the farm-level safety net program. The payments would be triggered when net farm corn revenue falls more than 30 percent below the previous five-year Olympic average of per-acre net revenue on the farm. Per acre net revenue is based on farm yields, a national price, and regional variable cost estimates.

This is a completely new concept and little discussion has happened in the coffee shops. I ask all our members to go to our website, www.sdcorn.org, and look at the Base Revenue Program calculator and run your own farm's numbers through the program to see how the proposal would work on your farm this year. I also caution everyone that the numbers may change and thus our support may also change.

I will tell you the SDCGA will fight to make certain that these numbers are fair and equitable for South Dakota corn producers. We will work with our Congressional delegation to make certain the next farm bill is good for South Dakota.

This concept is based upon the idea that corn prices will remain higher than in the previous five years. Nearly everyone agrees that the last farm bill was an excellent piece of legislation. Congress may extend it for a few years. But what happens next is up to the grassroots. Please look over the idea and talk to your Board member for your region. Remember the people who get involved are the ones who make the difference.

To quote one of our great leaders, "With public sentiment, nothing can fail; without it, nothing can succeed." - Abraham Lincoln, August 21, 1858.

SDCGA & SDCUC Open House & Ribbon Cutting

Held October 20, 2006



The South Dakota Corn Growers Association and South Dakota Corn Utilization Council hosted an Open House event at their new office location on Oct. 20. The Sioux Falls Area Chamber of Commerce joined them in a Ribbon Cutting ceremony at 11:30 a.m. that day. Nearly 200 people visited the office throughout the day including producers, legislators, Chamber members and industry partners. The new office is located at 5901 S. Crossing Place, Ste. 1, Sioux Falls, SD, 57108.



PRESIDENT'S REPORT

Reid Jensen, SDCGA President

As I write this column on Oct. 18, we have received our first snow of the season. This gives me a break from combining to catch up on office work including this column. One thing we didn't count on this harvest season was a rally in the grains, especially corn. This will help with fewer bushels and also with crop insurance as the fall price will be much higher. This rally also gives farmers the opportunity to market for the '07 and '08 seasons so keep an eye on the markets and continue to have a safe harvest.

The SDCGA has been very busy supporting and promoting the upgrade of the DM&E railroad. This is a \$6 billion project with 260 miles of new rail from the Powder River Basin in Wyoming into western South Dakota and an upgrade of the original track from western South Dakota through Minnesota. This project would bring increased competition in the transportation area for all agricultural commodities. A USDA study says it would raise the price of corn 20 cents per bushel. It would help the 1 billion gallon ethanol industry in South Dakota with transportation of ethanol, DDGS, and the opportunity to use coal instead of natural gas. The railroad would bring additional economic development and help revitalize rural South Dakota.

The DM&E has applied for a \$2.3 billion loan from the Federal Railroad Authority (FRA). A commentary phase just ended Oct. 10 with the FRA and I would like to thank all of you who sent post cards in support of the upgrade. I would also like to thank our congressional delegation, Senator Tim Johnson, Senator John Thune, and Rep. Stephanie Herseth along with Governor Mike Rounds for all their support of this project. SDCGA has been a part of an organization called GOTRAC (Growth Opportunities Through Railroad Access Coalition). It has over 90 members in South Dakota and Minnesota, which include towns, ag organizations and many businesses. We've been to Washington DC meeting with Departments of Ag, Energy, and Transportation along with our congressional delegation. We recently provided testimony to the Undersecretary of Transportation Jeff Shane, in Huron. The railroad authority has 90 days from Oct. 10 to make a decision so hopefully we will know before the new year begins.

Another item on our agenda is the new farm bill, which will be implemented in 2007 for the 2008 crop year. Most farmers like the current farm bill but it has some problems. If you have no bushels to market you are at a disadvantage. In South Dakota, for example, we had a drought and are short bushels. If the corn price is low and there is an LDP, a farmer can't take advantage of this because he has no corn to market. If the price of corn is high as it is this year there will be no

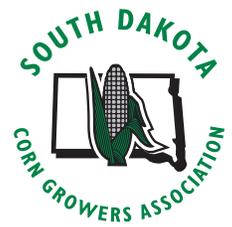
counter cyclical payment and the only payment you will have is the direct payment. The direct payment has had no update of base and yields as the counter cyclical payment has. So if the farm bill is to act as a safety net under these two scenarios the farmer who has a good crop will greatly benefit compared to those who haven't.

The NCGA is looking at a revenue assurance program. The idea is take bushels along with price to get total dollars per acre. Under this proposal the money would go to the producers who need it. Preliminary numbers indicate it would have worked well in South Dakota this year. With the emergence of the ethanol industry and the additional demand for corn we need a farm bill based on what the future holds, not what has worked in the past. The SDCGA has come out in support of the proposal.

Speaking of ethanol, the SDCGA was excited to see Glacial Lakes Energy LLC meet its equity drive, raising over \$90 million. This money will be used to expand their Watertown plant to 100 million gallons, build a 100 million plant at Aberdeen, and also a 60 million gallon plant at Vermillion. Congratulations! South Dakota continues to be one of leaders in the renewable fuels industry.

In this newsletter issue you'll find an election overview for a couple of the races and a description of the ballot issues. This feature offers you an at-a-glance look at the issues we will be voting on Nov. 7. We encourage you to understand the issues fully and when you go to the polls consider candidates who are friends of agriculture. The SDCGA recently distributed nearly \$23,000 in Corn Political Action Committee (CornPAC) dollars to our legislative friends who are currently candidates for state legislature. The PAC funds are given to help ensure an agricultural voice is present in Pierre by helping ag advocates get elected.

This year's CornPAC donations were the largest amount ever distributed through our organization. The dollars were generated by donations from farmers and proceeds from the SDCGA Corn Cob Open and Annual Meeting silent auction. By contributing to the CornPAC, individuals can play a role in helping to elect candidates for statewide office who are willing to commit their full support to the needs and values of South Dakota corn producers. Please call the SDCGA at 605-334-0100, if you are interested in making a contribution to the CornPAC.



GROWING INFLUENCE

BOARD OF DIRECTORS

PRESIDENT

Reid Jensen
Burbank-District 1

VICE PRESIDENT

Bill Chase
Wolsley-District 8

SECRETARY

Scott Sperry
Bath-District 13

TREASURER

Gary Duffy
Oldham-District 5

CHAIRMAN

David Gillen
White Lake-District 11

Mark Klumb
Mt. Vernon-Member at Large

Jim Thyen
Waverly-Member at Large

Darrin Ihnen
Hurley-District 2

Kurt Stiefvater
Salem-District 3

Jason Kontz
Brookings-District 4

David Leiseth
Hayti-District 6

Bill Whipple
Wilmot-District 7

Chad Blindauer
Mitchell-District 9

Chad Johnson
Platte-District 10

Marv Schumacher
Pierre-District 12

James Krier
Herrick-District 14

INDUSTRY REPRESENTATIVES:

Larry Wagner
Bjorn Nelson
Kent Mulder
Tom Branhan

OFFICE STAFF:

Lisa Richardson, Executive Director
Teddi Mueller, Legislative & Industry Affairs Director
Krystil Smit, Communications Director
Katrina Luke, Office Manager
Paul Skiles, Market Development Director

South Dakota Growers Association Membership Application

PLEASE HELP US DOUBLE OUR LOBBYING POWER TODAY!

"The South Dakota Corn Growers Association has spent the past 20 years making a difference for the state's corn producers. That influence wouldn't be possible without a strong membership base. Join the SDCGA today and add your voice to this unstoppable organization. Let's work together for the next 20 years of achievements." – Reid Jensen, Burbank

I've enclosed: \$500 (Lifetime membership) *includes choice of 5 Seed certificates and \$50 in Ethanol Certificates
 \$150 (3-year membership) *includes choice of 3 Seed certificates and \$15 in Ethanol Certificates
 \$75 (1-year)

Please fill in all fields.

First Name _____ Last Name _____

Title _____ Farm/Company Name _____

Membership is to be: (check one) Name Farm/Company Name

Address _____

City _____ State _____ Zip _____

County _____

Home Phone _____ Business Phone _____

I am a Farmer Yes No Total Farm Acres _____ Corn Acres _____

Spouse's Name _____ Email: _____

Recruiter Name _____ Phone: _____

Address _____

Mail Dues To: South Dakota Corn Growers Association
 3901 S. Crossing Place, Ste. 1, Sioux Falls, SD 57108
 605-334-0100 • www.sdcorn.org

SDCGA Seed Certificate Program

When you sign up to join the SDCGA for 3 years or a lifetime membership, you have the option to receive hybrid seed corn discounts from these supporting seed companies, each worth \$30 off a purchase of \$100 or more.

Your membership is important. Please take the time to join the SDCGA today. We're working hard to add value to the product you grow, and we need your support.

3 year Membership. Please select 3 seed certificates.

- | | | |
|--|---|--|
| <input type="checkbox"/> Black Diamond Seeds | <input type="checkbox"/> Kaltenberg Seeds | <input type="checkbox"/> Production Partners |
| <input type="checkbox"/> Crows | <input type="checkbox"/> Kaystar Hybrids | <input type="checkbox"/> Proseed |
| <input type="checkbox"/> Fontanelle Hybrids | <input type="checkbox"/> Legend Seeds | <input type="checkbox"/> REA hybrids |
| <input type="checkbox"/> Garst | <input type="checkbox"/> Mustang Seeds | <input type="checkbox"/> Renze Hybrids |
| <input type="checkbox"/> Great Lakes Hybrids | <input type="checkbox"/> Mycogen Seeds | <input type="checkbox"/> Seeds 2000 |
| <input type="checkbox"/> Hoegemeyer | <input type="checkbox"/> Nortec Seeds | <input type="checkbox"/> Stine Seed |
| <input type="checkbox"/> Integra Seed | <input type="checkbox"/> Pioneer Seeds | <input type="checkbox"/> Sucroscos Seeds |

PLUS! 3 year Receives \$15 in Ethanol Enriched Fuel.

TEAR HERE

This is your receipt for membership in the South Dakota Corn Growers Association. Contributions or gifts to the South Dakota Corn Growers Association are not deductible as charitable contributions for federal income tax purposes. However, dues payments are deductible by members as an ordinary and necessary business expense.



A GROWING INFLUENCE

3901 S. Crossing Place, Ste. 1,
 Sioux Falls, SD 57108
 605-334-0100

Received From:

 (Members Name)

Dues paid in the amount of \$ _____

Represented by: _____

Date _____



MEMBERSHIP MATTERS

At the South Dakota Corn Growers Association, your success is our priority. That's why each year the SDCGA develops ways to help our members increase their profitability through learning opportunities. As a valued member of the South Dakota Corn Growers Association, you have access to extraordinary educational opportunities and financial planning training.

These unparalleled events will soon begin as the SDCGA was recently awarded, for the third consecutive year, a grant from the USDA to deliver programs to South Dakota producers. The details of the educational offerings are detailed in this newsletter and we encourage your participation. SDCGA members are able to attend at preferred rates or in some cases for no charge at all. Many of the offerings allow producers to tap the expertise of nationally-known speakers and trainers. The diverse trainings touch every facet of a farming operation from production, financial and relationships.

The biggest event of the year for our members is fast approaching. Mark your calendars for the 21st Annual Meeting, Jan. 6, 2007. "Catch a Golden Wave" with us for the beach party-themed event at the Ramkota Inn and Convention Center in Sioux Falls. Entertainment for the evening will be provided by "The Surf City AllStars" featuring original Beach Boys member, David Marks. Seminars will be held throughout the day. Find more details on the following pages. The Annual Meeting is also your opportunity to participate in passing resolutions and setting priorities for the organization for the upcoming year. We value your input anytime throughout the year.

Finally we are proud to announce that your SDCGA organization has reached an all time membership high, nearing the 1,700 member mark! An extensive membership effort was made by the SDCGA to assist South Dakota corn producers in knowing about and participating in the latest value-added opportunities in South Dakota when Glacial Lakes Energy recently conducted equity drives for their Watertown expansion, Aberdeen Energy and Missouri Valley Renewable Energy. We are proud to have added over 100 new members during that time and any of our members who wanted to invest had the opportunity. We welcome our new members and thank our long-standing members for their dedicated support.

We will continue to work for our members' participation in value-added opportunities, educational events and access to our state's leaders.

David Leiseth

David Leiseth, chairman
 SDCGA Membership Committee

SDCGA is awarded USDA grant to deliver educational events for producers

The South Dakota Corn Growers Association (SDCGA) will provide educational opportunities for South Dakota ag producers through a grant recently awarded to the organization by the USDA Risk Management Agency.

Agriculture Secretary Mike Johanns announced awards of close to \$21 million in agricultural risk management partnership agreements throughout the United States. The USDA partnership agreements provide funds for projects to develop new risk management tools for farmers and ranchers, as well as outreach and education opportunities. USDA's Risk Management Agency (RMA) administers these projects as well as the federal crop insurance program.

The SDCGA was awarded nearly \$140,000 of those grant monies to provide risk management education, farm financial planning workshops, farm bill information and planter calibration clinics. In addition, national speakers will be brought in for the SDCGA's Annual Meeting in January to offer industry insights.

"It's an honor for our organization to have been chosen as recipients of significant grant monies from the USDA Risk Management Agency and we look forward to providing learning opportunities to our South Dakota producers. All of the information provided through our education seminars will enable producers to be proactive instead of reactive, allowing them to avoid or mitigate many of the risks associated with agricultural production," said Reid Jensen, president of the SDCGA.

The grant monies will be used for the programs featured on these pages.

Inside the Beltway: Influencing Farm Policy

December 4, 2006
Sioux Falls Ramkota Hotel and
Convention Center
9:00 a.m. - 4:00 p.m.

"Farm Bill: Myths and Reality" - Dr. Flinchbaugh, a professor of agriculture economics at Kansas State University, will present a farm bill program aimed at revealing myths and realities of the farm bill process as policy-makers begin work on the next farm bill in 2007. He will highlight on economics and agriculture, controversy and compromise, provide historical view of farm programs and describe the potential impact of the '07 Farm Bill.

Panel discussion: "We're here from Washington and Ready to help" - Panel participants will include U.S. Senate and House Ag Committee Representatives and SDCGA lobbyist Scott Shearer. Each panelist brings their keen sense of Washington to offer a behind the scenes look of the next Farm Bill.

"Thinking Outside The Box: Farm Bill Opportunities" - David Gillen, SDCGA Board Chairman, will stretch producers' minds with possibilities for the upcoming Farm Bill. Gillen will describe a completely new concept called the Base Net Revenue proposal which is designed to improve the farm-level safety net program.

"SDCGA Legislative Roundtable" - Join a grassroots push to set legislative policy for the SDCGA for the upcoming year. This is producers' opportunity to shape the legislative direction of the SDCGA by providing resolutions to be considered at the Annual Meeting, Jan. 6, 2007.

Planter Calibration Clinics – Jan. 15-19, 2007

Kevin Kimberley, ag consultant, who has experience working with John Deere, Case IH and Syngenta, will teach producers how to reach ultimate yield potential through planter calibration and use. Topics include seed treatments, planter adjustments, compaction, calibrations, corn meters, field cultivator leveling, vacuum units, combining and grid mapping. The clinics will be held at the following locations throughout the state.

Planter Clinics: 9:30 a.m. to 4:00 p.m.

- Jan. 16: Ramkota Hotel and Convention Center in Pierre, SD
- Jan. 17: Ramkota Hotel and Convention Center in Aberdeen, SD
- Jan. 18: Watertown Event Center in Watertown, SD
- Jan. 19: Ramkota Hotel and Convention Center in Sioux Falls, SD

"Growing Forward in 2007"

STEP 1: Nov. 27-Dec. 1, 2006

STEP 2: Feb. 19-22, 2007

The SDCGA will kick off the grant programs by partnering with Farm Credit Services to deliver "Growing Forward in 2007," a two step risk management series that will be offered in November and February. Speakers include Steve Johnson, ag economist, Iowa State University; Dale Hicks, Extension agronomist, University of Minnesota; and Elwynn Taylor, Extension climatologist with Iowa State University.

Both sets of "Growing Forward in 2007" will be offered five times over four consecutive days, each at a different location in South Dakota. Among the topics covered will be minimizing variable costs, increasing corn acres, maximizing grain storage, improving crop marketing, crop rotations and seed selections. The topics delivered at the November meetings will be different from the February meetings, creating two unique learning opportunities.

The schedule for the first step of "Growing Forward in 2007" is the following:

- Nov. 27: Sioux Falls Ramkota, 11:30 a.m. – 3:30 p.m.
- Nov. 27: Watertown Events Center, 5 p.m. – 9 p.m.
- Nov. 28: Aberdeen Ramkota, 5 p.m. – 9 p.m.
- Nov. 29: Huron Crossroads, 11 a.m. – 3 p.m.
- Nov. 30: Yankton Elks, 9 a.m. – 1 p.m.
- Dec. 1: Reserved as a make-up day in the event of inclement weather

The second set of "Growing Forward in 2007" will be held Feb. 19-22, 2007, returning to the same locations.

2007 BEACH PARTY

Catch a Golden Wave

Get your flip-flops and Hawaiian shirts ready as the SDCGA presents its "2007 Beach Party" Annual Meeting slated for Jan. 6, 2007 at the Ramkota Inn and Convention Center in Sioux Falls.

The "Surf City AllStars" band, featuring original Beach Boys member David Marks, will headline the evening's events.

The evening will culminate with a raffle drawing for a winner of three major prizes in the SD Corn Safari raffle promotion, which include a 2-year lease on a 2007 Chevrolet Silverado 4x4, a trip for two to select cities in the United States or Mexico and \$1,200 in ethanol.

In addition to the headline entertainment by David Marks and the Surf City AllStars, the SDCGA Annual Meeting will include educational seminars throughout the day with nationally-recognized speakers. The seminar line-up is featured below.

SEMINARS:

Biotechnology Panel

Join us as industry leaders reveal what's coming down the pike in biotechnology opportunities. Panel representatives invited include Monsanto, Syngenta and Pioneer

Jolene Brown - "Top 10 Stupid Things Families Do..."

Coming from West Branch, Iowa this real "Farmer Brown" uniquely understands the hearts, homes and the

business of agriculture. Jolene Brown will have you laughing while you learn!

Ross Korves - ProExporter statistician

ProExporter generates the leading and most respected studies about the ethanol industry and are considered "in-the-know" about what's happening in the markets.



Original Beach Boy David Marks is touring together with the SURF CITY ALLSTARS to bring you the Greatest Hits of the Beach Boys in a new live show. David was present for the early rehearsals for the Beach Boys in 1961. When Brian Wilson decided not to tour with the band and stay home to write songs, David played second guitar.

The Surf City AllStars were formed in the early '80s with the band members who were touring with both the Beach Boys and Jan & Dean. The Surf City AllStars are the best surfin' beach party band around on a par with their friends, the Beach Boys.

Calendar of Events

OCTOBER 31 - NOVEMBER 3

US Meat Export Federation Conference
Cancun, Mexico

NOVEMBER 7, 2006

Election Day

NOVEMBER 9-10, 2006

S.D. Biotech Assoc.
Ramkota Inn, Sioux Falls

NOVEMBER 14-16, 2006

Transportation Forums

NOVEMBER 27, 2006 - DECEMBER 1, 2006

SDCGA Seminars: "Growing Forward in 2007"

DECEMBER 2-6, 2006

US Grains Council Conference
Los Cabos, Mexico

DECEMBER 4, 2006

SDCGA Seminar: "Farm Bill - Myths & Reality"
Sioux Falls

DECEMBER 7, 2006

Ag United for South Dakota Annual Meeting
Sioux Falls

JANUARY 6, 2007

SDCGA Annual Meeting
Ramkota Inn, Sioux Falls

JANUARY 11-2, 2007

S.D. Pork Producers Council Convention
Ramkota Inn, Sioux Falls

JANUARY 15-19, 2007

SDCGA Planter Calibration Clinics

FEBRUARY 19-22, 2007

SDCGA Set II of "Growing Forward in 2007"

**SDCGA
Annual Meeting
January 6, 2007
Ramkota Inn
Sioux Falls**

Showplot yields hold surprises as harvest results trickle in



Joe and Keith Ebbers of Castlewood hosted the South Dakota Corn Growers Association Showplot field day on Aug. 29.

By Paul Skiles

SDCGA Market Development Director

Corn harvest is just getting started and reported yields have ranged from zero to 200 bushels per acre. We knew the western part of the South Dakota corn belt would struggle; other parts of the state have seen a pleasant surprise with yields. Many of the growers I have talked to think their crop is 20 percent better than anticipated. As long as the corn plant developed and pollinated, yield is better than most people thought.

Over the past 10 years, seed companies have made great strides breeding in drought tolerance. Drought tolerance along with conservation tillage gives South Dakota producers a chance for a good corn crop every year. Ten years ago, conditions this season would have resulted in a total crop failure. With new technologies, South Dakota has the potential to harvest the state's sixth largest crop ever.

Some problems have developed from the hot dry weather, some areas have seen stalk rot, and in some other areas ears are dropping. The bright spot this year is corn rootworm protection. Producers that planted seed with corn rootworm protection have seen outstanding results. It has taken a 40-bushel corn crop to an 80-bushel corn crop in many documented cases. In some cases we have seen 50 to 60 bushel increases over an entire field.

As the South Dakota Corn Growers Association Showplots are harvested, the results will be immediately posted in our website at www.sdcorn.org. We will also email the final Showplot results directly to you by request. If you would like to be on the email distribution list, email your request to pauls@sdcorn.org.

Strategies for harvest time price rallies

By Alan May

SDSU Extension Grain Marketing Specialist

<http://econ.sdstate.edu>

The recent rally in corn prices has been welcomed from a seller's standpoint but is certainly not typical based on historical precedent. Thanks to the ever-growing demand from the U.S. ethanol industry, a growing export market, strong domestic feed use, and a surprising October Crop Production report, corn futures gained 75 to 80 cents since mid-September. By mid-October, cash prices of corn in South Dakota ranged from \$2.55 to \$2.85 per bushel.



advantage of the price increase. If the final selling price of your corn exceeds the breakeven price after storage costs, this strategy is viable. The challenge here is deciding when to sell the corn once the corn is put into storage.

- **Store corn; enter into a cash forward contract that sets a price for future delivery of the corn.**

Evaluate if the price offered reflects a reasonable basis that is either based historical basis or if it reflects a reasonable basis based on local conditions and current supply/demand fundamentals. The futures carry and/or potential basis improvement must be sufficient to pay costs of storage during the storage period.

- **Store corn, use hedge-to-arrive (HTA) contract to establish price for future delivery.**

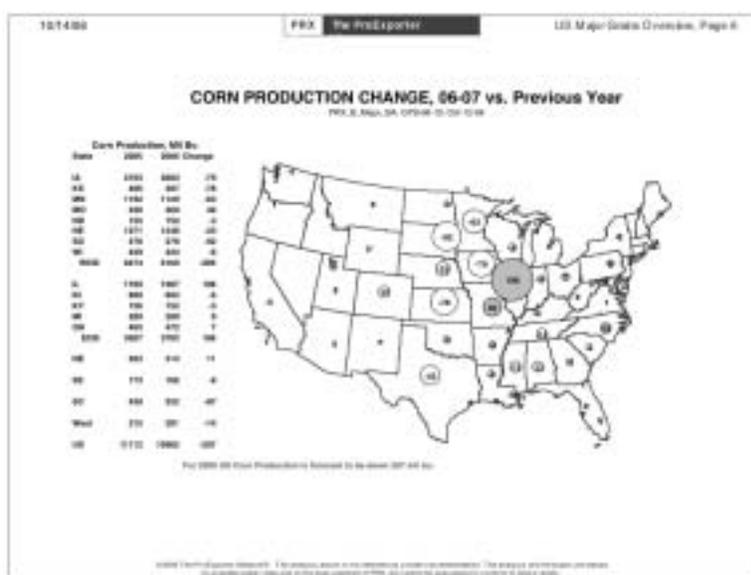
This strategy allows you to set a futures price but leave the basis open until a later date. An HTA gives you downside price protection on the futures board while you wait to establish basis. This strategy has basis risk but is typically less risky than no price protection at all. The disadvantage with this strategy is that you cannot take advantage of futures price increases once this contract is established.

This combination of lower supplies and growing demand has created one of the strongest harvest time price rallies in recent memory. What are some of the alternatives for selling 2006 corn?

- **Sell corn at harvest.** With current cash bids for corn in a range of \$2.50 to \$2.80, this has to be viewed as a valid choice for selling corn. This is a price range that is not often seen at harvest or at other times of the year. Selling at harvest eliminates storage costs and future downside price risk. However, this method eliminates the chance for achieving higher prices later on.

- **Put corn into storage at harvest with no price protection.** This can be a higher risk alternative. If prices decline, the value of your corn in storage declines. However, this strategy can reap rewards. If prices move higher after corn is placed in storage, you can take

There are other valid selling strategies for selling your 2006 corn that can involve the storing or selling of cash corn combined with the use of futures or options. There are also a variety of other types of deferred pricing contracts available through your local elevator or processor. To obtain information involving these strategies, contact your local county extension educator, broker, or local grain buyer.



Charts developed by ProExporter

NATIONAL LEGISLATIVE NEWS

The National Corn Growers Association (NCGA) released its preliminary analysis on the impact of a revenue-based safety net program for corn growers.

The analysis illustrates how the proposed programs work for corn coupled with direct payments. It compares four corn farms—including one in Aurora County, South Dakota—using the current farm bill programs and NCGA's revenue-based program proposal during 2002 to 2005 crop years. The report includes an executive summary detailing the results of the analysis, an implementation section and a question-and-answer section on the structure of the base revenue program (BRP) and revenue countercyclical payment (RCCP). BRP and RCCP are the basis of the proposal.

The revenue-based program would form the basis for a new farm bill and include maintenance of current calculation methods for direct payments; change the nonrecourse loan program to a recourse loan program; create a BRP; and modify the current countercyclical program into RCCP.

The report also provides forward-looking analysis to estimate how RCCP payments are expected to compare with loan deficiency payments and countercyclical payments over the period 2006 to 2010. The analysis uses updated estimates from the Food and Agricultural Policy Research Institute.

To view the analysis, visit www.ncga.com.

White Lake corn grower Dave Gillen traveled to Washington, D.C., in September to help NCGA promote the new farm bill proposal as an option. Gillen attended the House Agriculture Committee hearing where then-NCGA President Gerald Tumbleson promoted the proposal. Gillen then vis-

ited with Rep. Stephanie Herseth and Sen. Tim Johnson and met with Sen. John Thune's senior staff.

In comments to the Surface Transportation Board (STB) this quarter, Tumbleson advocated fuel surcharges by railroads should be comparable with actual added fuel costs caused by increased fuel prices.

NCGA submitted the comments in response to the proposals before the STB regarding fuel surcharge calculation and application by railroads. NCGA noted railroads need to assess fuel surcharges accurately and fairly among all users of the rail system.

"An important part of corn growers, agriculture and the ethanol industry's success hinges on reliable, cost-effective and efficient transportation – whether by barge, truck or rail," said Tumbleson. "Agriculture is impacted negatively by the increasing fuel surcharges. Higher transportation costs result in lower grain prices and reduced producer income."

The STB recently ruled applying surcharges based on rail rates constitutes an "unreasonable practice." Proposed changes would require fuel surcharges to be reasonably related to additional fuel costs, avoiding situations where fuel surcharges become a profit center or a means of hiding increases in tariff rates.

Tumbleson's comments also noted the proposed monthly reporting by each Class I railroad will ensure transparency in the process. The reporting will indicate the railroads' total fuel costs, fuel consumption and fuel surcharge revenues, as well as how much of the railroads' total fuel surcharge revenues were shared with their shortline connections. ■ ■ ■

SDCGA Resolutions Reminder!

The South Dakota Corn Growers Association invites our members to participate in submitting resolutions for the 2007 Annual Meeting.

The resolution process helps guide the SDCGA on legislative priorities from the grassroots level. Member involvement is imperative for the SDCGA to represent South Dakota producers effectively.

Resolutions must be submitted 30 days prior to the 2007 SDCGA Annual Meeting, which will be held in Sioux Falls on Jan. 7, 2007. Therefore, the deadline for submitting resolutions is Dec. 7, 2006.

Resolutions may be submitted by accessing the Resolutions Form on our website at www.sdcorn.org. Or you may contact the SDCGA office at 605-334-0100 to request a form.

Also a Resolutions Roundtable event will be held on Dec. 4, 2006, in Sioux Falls during the SDCGA-sponsored Farm Bill summit, "Inside the Beltway: Influencing Farm Policy. Members will have a chance to submit resolutions during that event and will be receiving more information about that opportunity soon.

Goods on the Go: Removing Roadblocks & Reducing Costs Transportation Logistics Forums

• • • • •

Is it possible to efficiently & profitably import-export goods in the region?

Retailers, manufacturers & agribusinesses are invited to discuss enhancement of regional import-export shipments at FREE forums held throughout the state



REDUCE TRANSIT TIME
CUT TRANSPORTATION COSTS
INCREASE QUALITY OF SERVICE
ELIMINATE HEADACHES



• • • • • **Truck • Air • Ocean • Rail** • • • • •

November 14	Rapid City, SD – Best Western Ramkota Hotel	8:00 am – 11:00 am Mountain Time
	Mitchell, SD – First Dakota National Bank	6:00 – 9:00 pm Central Time
November 15	Aberdeen, SD – Best Western Ramkota Hotel	8:00 – 11:00 am Central Time
	Watertown, SD – Best Western Ramkota Hotel	2:00 – 5:00 pm Central Time
November 16	Sioux Falls, SD – Best Western Ramkota Hotel	8:00 – 11:00 am Central Time
	Dakota Dunes, SD – Tyson Foods Inc	2:00 – 5:00 pm Central Time

Program

Michael Joseph will provide a global perspective of domestic and international shipping and offer insight on meeting your company's shipment goals. Joseph possesses 32 years of transportation logistics experience.

Attendees will exchange their perspectives of current shipping successes-failures and potential company results if roadblocks were alleviated.

Interactive discussion will develop strategy options that can shape collaborative, efficient and effective shipping opportunities.

RSVP for FREE Registration

Call 605.224.9402 • Email cherirath@yahoo.com • Web www.sdvalueadded.coop

Check the website for forum updates & info

South Dakota Corn Council 2006 Summer Road Trips

The South Dakota Corn Growers Association represented corn producers at several events this summer while also promoting the organization and E85 with their SDCGA Safari raffle promotion. SDCGA Safari is a joint promotion between SDCGA and Chevrolet, highlighting the "Live Green, Go Yellow" campaign. Attendees at farm shows, ethanol promotions and fairs purchased tickets in the Safari raffle for their chance to win a two-year lease on a 2007 Chevrolet Silverado 4x4 extended cab, a trip for two or \$1,200 in ethanol. The three prizes will be drawn for at the SDCGA Annual Meeting on Jan. 6, 2007 in Sioux Falls. Below is a photo recap of the summer events attended by SDCGA:

- Cowboy Country Stores Ethanol Promotion - Pierre
- Sioux Empire Fair Farmer Appreciation Day - Sioux Falls
- Dakotafest - Mitchell
- Brown County Fair - Aberdeen
- Value-Added Day at SD State Fair - Huron
- C-Express Ethanol Promotion - Aberdeen



Strengthening Our Farm Economy

Across the state, as farmers are harvesting their crops, it's a reminder of how important the DM&E railroad upgrade is to South Dakota's future. The South Dakota Corn Grower's Association applauds the DM&E for their vision and thanks our leaders - Senator Tim Johnson, Senator John Thune, Representative Stephanie Herseth and Governor Mike Rounds - for fighting to make it a reality.

What the DM&E Upgrade means:

Helping Family Farmers & the Agricultural Economy



The DM&E rail upgrade will directly link South Dakota farmers with their markets - increasing the value of a farmer's bushel of grain as much as \$.20 per bushel, according to the US Department of Agriculture.

Creating New Jobs & Expanding Our Economy

The build-out and planning process will create thousands of direct jobs in our communities as the construction and railroad operations get underway. Improving our regional transportation infrastructure through the upgrade will also serve as a building block for future economic growth.



Improving Our Energy Independence



The rail upgrade will help South Dakota farmers fuel the growing ethanol economy. As many as 18 ethanol plants, producing nearly a billion gallons each year, will be on the DM&E lines.

DM&E HEARING

On Oct. 3, Department of Transportation Undersecretary Jeff Shane held a public hearing in Huron, S.D., to gather comments regarding the Dakota, Minnesota & Eastern (DM&E) Railroads's loan application for their expansion project. The South Dakota Corn Growers Association provided testimony at the event and also submitted official comments to the Federal Railroad Administration (FRA). Photos highlighting the event are below.



The SDCGA strongly supports the DM&E's Powder River Basin Project because it will benefit our state's corn producers. In comments and testimony, the SDCGA urged the FRA to consider highly the DM&E's loan request as this project would improve our producers' access to markets and increase the value of their products.

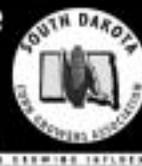


Support the DM&E Rail Upgrade

Good For Farmers. Good For the Economy.
Good For South Dakota.

Learn more at www.gotrac.org

Paid for by South Dakota Corn Growers Association



THE Olinger REPORT

by Ron Olinger



SDCGA Lobbyist-Pierre

On Election Day, voters will consider a radical change in regard to the manner in which real property assessments would be made. Unlike most changes dealing with real estate taxation sent to the voters, this is a constitutional amendment rather than a change to our laws. Otherwise, to make any changes if the constitutional amendment was adopted would require another vote of the people.

This amendment has its roots in the California Proposition enacted several years ago which has created substantial chaos in their taxing system. What the change does is lock in all assessed valuations at their 2003 year assessment level. This would be the “base year.” However, any sales occurring after January 1, 2007, would have the real estate assessed at the selling price.

Thus new property purchasers will be subsidizing the taxes of existing property owners. This will obviously dis-

courage new acquisitions of homes whether it be an elderly person who is downsizing, or a young person just trying to purchase their first home.

From a corn grower’s standpoint, a new or young farmer trying to purchase his first piece of land will be penalized in that he will subsidize an existing operator. For older farmers and landowners, they would be protected from rising assessments and taxes. This would be helpful for retired people living on rental income as well as existing farmers who are not expanding. However, keep in mind the tax does not simply go away but would be deferred upon younger people who would be forced to pay the taxes.

This constitutional amendment will be a lawyer’s paradise in that they will be doing everything possible to structure transactions so that they are not sales. This occurred in California and then you go through extensive litigation in that the Legislature can only

pass laws that do not conflict with the constitution.

We do rely on real estate taxes too much to fund the needs of our citizens. Many say that the passage of this amendment will force an income tax which will fund education needs and allow use of real property taxes for counties.

We do have a problem with our real estate taxation system in South Dakota and it needs to be fixed. Past acts of the Legislature, such as the 150 percent rule, and a lack of supervision of the assessment process at the county level has led to disparities in taxation. Amendment D would just create more disparities and lock them in the Constitution. Possibly we should give the Legislature a chance to look at an income approach to real estate taxes.

The South Dakota Corn Growers Association has not taken a position on this issue. However, this writer feels that the fix should be statutory so that as times change and unforeseen things occur, the people we send to Pierre can make adjustments. The problems with our current tax system can be fixed statutorily and the fix belongs there, rather than in the Constitution. However, I thank the sponsors for bringing this amendment which compels the Legislature to focus on some of the problems in our real estate taxation system.



Herseith receives check from SDCGA



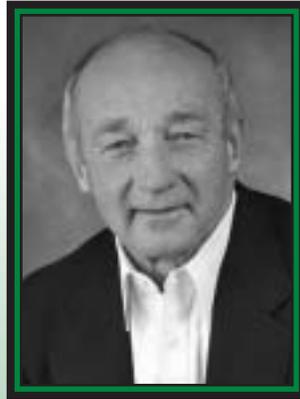
The South Dakota Corn Growers Association (SDCGA) worked to secure funds from the National Corn Growers Association’s (NCGA) Political Action Committee on behalf of Rep. Stephanie Herseith for her leadership in Congress and to assist her campaign efforts. SDCGA president Reid Jensen presented the NCGA CornPAC check to Rep. Herseith.

MAKING CHOICES ON NOVEMBER 7



S.D. Governor Candidates

U.S. House Candidates



MIKE ROUNDS
Republican Candidate
for Governor

JACK BILLION
Democratic Candidate
for Governor

STEPHANIE HERSETH
Democratic Candidate
for U.S. House

BRUCE WHALEN
Republican Candidate
for U.S. House

Commissioner of Schools & Public Lands



JARROD JOHNSON
Rep. Candidate for Commissioner
of Schools & Public Lands

Question: As Commissioner of Schools and Public Lands, how would you facilitate and strengthen relationships between landowners and sportsmen? What rights should landowners have in limiting access through their property to public lands?

Johnson Response: As Commissioner of School of Public Lands, the first thing I would do is incorporate GPS technology for every parcel of land controlled by my office to augment its current listing and location on the sportsmen's atlas. In this day and age of GPS-capable farming equipment and hand held GPS units we can find a specific point on earth within 36 inches. With this technology costing less than one tank full

of fuel in a pickup, there is no reason a sportsman or a lease holder shouldn't have unequivocal knowledge as to where they are on school and public lands.

Secondly, I would redirect one or more of the seven employees on the staff of School and Public Lands, take them out of the Capitol and engage them out in the country. Their duties would be assessments of School and Public Lands grazing leases, timber leases and mineral leases as well as acting as a liaison between leasers and sportsmen and the office of School and Public Lands on a year round basis. Ideally this person would be based where the majority of the school and public land is located in South Dakota. Having a field representative interacting with stakeholders will facilitate communication between the office, the hunters and the lease holders.

GPS technology would also address the issue of access to public lands through private property. From the center point of the unimproved section line, there are 33 feet on either side of that section line that are allowable to foot traffic to gain access to public lands. If the only access to public land is impeded by a ravine, a butte or a waterway, that person does not have the right to meander beyond the 66 feet.

My plan for incorporating GPS technology will ensure that law abiding hunters have a way to reach their hunting destination without trespassing. Most good hunters already scout ahead and talk with private landowners prior to hunting to gain access to public ground.

Healy Response: First, here is what School and Public Lands is doing. Providing accurate information about the location of state trust land is essential to improving the relationship between landowners and sportsmen. We have digitized our 800,000 acres for individuals to download from the website or obtain by contacting our office. These GPS based maps will give recreational users a better understanding of where the land is and will help avoid trespass. The website also offers contact information for leaseholders. While it isn't mandatory that hunters contact the leaseholder, we highly encourage them to do so.



BRYCE HEALY
Dem. Candidate for Commissioner
of Schools & Public Lands

Furthermore, this year, we received a grant from National Shooting Sports Foundation and the Hunting Heritage Fund to post boundary signs on school lands. To date 333,000 have been posted. These signs are important so that hunters can be certain of where they are at all times. As opposed to GPS positioning units, which can be off by several feet if not yards, signs provide a visible boundary for all parties to see in the event of a dispute. Posting boundaries is an ongoing process; if re-elected, I will continue to work with various groups to find funding for the signing process.

This office makes it very clear that sportsmen are not to cross or enter private property to access state trust lands. If they do, they risk being charged with trespass. Improving access through the assembled land exchange program will help alleviate this issue in the long run. By allowing the leaseholder, who is the neighboring landowner to obtain the property through the land exchange program, we accomplish two things. First, landowners will no longer have to worry about people trespassing on their property that is adjacent to school lands and second the office makes more lease money for education. Thank you for the opportunity to discuss issues facing South Dakota. I look forward to serving South Dakota for four more years.

S.D. Public Utilities Commissioner



STEVE KOLBECK
Dem. Candidate for PUC

Question: What are landowners' rights, responsibilities and opportunities in wind energy in South Dakota: and if you are elected how will you represent landowners in wind energy?

Kolbeck Response: The first part of the question, "land owners rights" are just that, your rights as a landowner. When it comes to wind, your rights do not differ much from your land rights. A landowner may sign an easement with a company for them to build a turbine if they like. The land the turbine is on is no more or less important than the wind blowing thru it.

The second part of the question "responsibilities" is a little more in-depth. If a wind turbine is going to be built on your land there are responsibilities the party building the turbine must follow. People need to remember that wind turbines are big coils that are producing harmonic frequencies that may or may not be heard by the human ear. A few quick examples of what might be affected are airports, radio transmission, and telecommunications equipment. These frequencies are not a deal breaker, but need to be worked out before any construction may begin. And of course as always rulings for setbacks and occupied areas apply to landowner's responsibilities.

The third part of the question "opportunities" is an endless question. The first thing that needs to happen for real opportunities for land owners to open up is an agreement between South Dakota's major power companies and Minnesota's power companies. The major roadblock to that is called MISO (Midwest Independent Transmission System Operator) that is a group of companies whose territories end right along the I-29 border in South Dakota. For South Dakota's electricity that is generated in a non-MISO area to cross over in to a MISO area it has a tariff placed on it; therefore losing its cost effectiveness. The South Dakota Public Utilities Commission needs to work to get these companies to share energy inside and outside of the MISO area. This will create cost effective wind generation and companies will be able to sell more of South Dakota's wind to Minnesota where the need is. I do not feel a Nuclear Power plant is needed as in legislative bill SB-165, which was written by my opponent. (internet link: <http://legis.state.sd.us/sessions/2006/DisplayBill.aspx>)

In reality once the profits are there for the companies, the transmission lines will be built. Then we can introduce legislation similar to C-BED. C-BED is Community Based Energy Development. It is based on the premise of local ownership for energy development with small LLPs. The members in the LLPs are the local members of the community, farmers, bankers, teachers and so on. This is where the opportunity is endless!

The last part of the question "representing land owners" is very simple to answer because the landowner is the only person I would represent. The heart and soul of the Public Utilities Commission is to provide safe, affordable, reliable utilities to ratepayers. That is you. The Public Utilities Commission is there for South Dakotans, not companies. If I were elected in November landowner rights involving transmission construction would be one of my highest concerns. It is like my dad always said, "Protect your land, it's the only thing they can't make more of."

Please give me your vote on November 7th so I can fight for you and your rights as a landowner and a ratepayer. If you would like any more information about my family or myself log on to www.KolbeckFORPUC.com. Thank you.

**LET YOUR VOICE
BE HEARD
ON NOV. 7!**



JOHN KOSKAN
Rep. Candidate for PUC

Koskan Response: Opportunity to develop wind energy in South Dakota is incredible. In the 1950's and 60's our energy providers overbuilt our power generation and transmission systems but we have done little since then to upgrade and improve our energy infrastructure. We are approaching power shortages and price spikes nationwide similar to what happened in California a few years ago. Combine this situation with the fact that many states are requiring their utility companies to buy energy from renewable energy sources sets up the scenario for South Dakota to be a major energy provider if we as individuals and as a state act.

Obviously, landowners are going to be a major player in the development of wind energy and the supporting infrastructure because of land and easements requirements. The opportunity for landowners is not only the obvious income from the value of the easements, but also the opportunities and responsibilities to their communities to bring in jobs and investment opportunities, much like the ethanol plants have done. The great thing about wind energy is that most communities along the line will have the opportunity to participate because they too can derive income from their local wind turbines.

The question about landowner rights will not only concern the traditional surface rights, but also wind rights. Wind rights are a relatively new concept that have not been fully established and will be a fairly complex issue because they do not only protect the wind above the land, but also ensure that someone upwind hasn't located to close to adjoining property as to deprive downwind neighbors the opportunity to develop wind. Preservation of property rights has been and will continue to be a priority of mine. I am a farmer and understand these issues well and in the legislature have worked to preserve landowner rights.

**Support the South
Dakota Corn PAC**



**Making a difference for your
S.D. agricultural leaders**

BALLOT OVERVIEW

Constitutional Amendment C

Title: *An Amendment to Article XXI of the South Dakota Constitution, relating to marriage.*

A vote "YES" will change the Constitution.

A vote "NO" will leave the Constitution as it is.

ATTORNEY GENERAL EXPLANATION

South Dakota statutes currently limit marriage to unions between a man and a woman. However, the State Constitution does not address marriage.

Amendment C would amend the State Constitution to allow and recognize marriage only between a man and a woman. It would also prohibit the Legislature from allowing or recognizing civil unions, domestic partnerships or other quasi-marital relationships between two or more persons regardless of sex.

Constitutional Amendment D

Title: *An Amendment to Article XI, Section 2 of the South Dakota Constitution, relating to real property assessment for taxation.*

A vote "YES" will change the Constitution.

A vote "NO" will leave the Constitution as it is.

ATTORNEY GENERAL EXPLANATION

The State Constitution currently requires that all taxable property be valued for tax purposes at no more than its actual value, and that all property be classified and taxed uniformly.

The proposed amendment to the State Constitution would base the taxable value of property upon "acquisition value" for property sold after January 1, 2007. The Legislature may authorize the assessed value of such property to be annually adjusted by up to three percent, using the 2003 assessed property valuation as the base year.

The taxable value of the property may be further adjusted if the property has changed use or classification or has been subject to addition, improvement or The limitations of this amendment will not apply to centrally assessed property or to any property sold prior to January 1, 2007.

Constitutional Amendment E

Title: *An Amendment to Article VI of the South Dakota Constitution, relating to judicial decisions.*

A vote "YES" will change the Constitution.

A vote "NO" will leave the Constitution as it is.

ATTORNEY GENERAL EXPLANATION

Citizens serving on juries, school boards, city councils, county commissions, or in similar capacities, and prosecutors and judges, are all required to make judicial decisions. Their decisions may be reversed on appeal, or they may be removed from office for misconduct or by election. However, they cannot be made to pay money damages for making such decisions. This allows them to do their job without fear of threat or reprisal from either side.

The proposed amendment to the State Constitution would allow thirteen special grand jurors to expose these decision makers to fines and jail, and strip them of public insurance coverage and up to one-half of their retirement benefits, for making decisions which break rules defined by the special grand jurors. Special grand jurors are drawn from those who submit their names and registered voters.

The proposed amendment is retroactive. The special grand jurors may penalize any decision-maker still alive for decisions made many years ago. If approved, the proposed amendment will likely be challenged in court and may be declared to be in violation of the US Constitution. If so, the State may be required to pay attorneys fees and costs.

Constitutional Amendment F

Title: *An Amendment to Article III of the South Dakota Constitution relating to the Legislature.*

A vote "YES" will change the Constitution.

A vote "NO" will leave the Constitution as it is.

ATTORNEY GENERAL EXPLANATION

This proposed amendment to the State Constitution includes recommendations by the Constitution Revision Commission.

The amendment would remove the current limitation on expense reimbursements received by legislators, and would allow legislators to receive salary, per diem, expenses and mileage reimbursement as provided by law.

The amendment would remove the current specific prohibitions against enacting private or special laws. The Legislature would be restricted by a general prohibition against enacting a special law when a general or local law can be made applicable.

The amendment would remove the Congressional term limit, which the federal courts have found unconstitutional. The procedure for introduction of a bill would be shortened. The amendment would require a two-thirds vote to close a legislative session to the public and prohibit any vote to be taken in a closed session. The amendment would allow the Legislature to exercise emergency powers in the event of man-made and natural disasters.

Initiated Measure 2

Title: *An Initiative to increase the tax on cigarettes and tobacco products and to dedicate the revenues.*

A vote "YES" will change the Constitution.

A vote "NO" will leave the Constitution as it is.

ATTORNEY GENERAL EXPLANATION

South Dakota currently taxes tobacco products. The proposed law would increase taxation on tobacco products sold in the state. The tax on a 20 stick cigarette package would be raised by \$1.00; the tax on a 25 stick cigarette package would be raised by \$1.25. The tax on all other tobacco products such as cigars, roll-your-own, and chewing tobacco, would increase from 10 percent to 35 percent of the wholesale price.

The proposed law would deposit up to \$30 million of tobacco tax revenue into the state general fund. The next \$5 million, if any, will be deposited in the tobacco prevention and reduction trust fund. Tobacco tax revenue in excess of \$35 million, if any, will be divided among the property tax reduction fund, the education enhancement trust fund, and the health care trust fund. The proposed law also establishes continuous appropriations out of the tobacco prevention and reduction trust fund for specified purposes.

Initiated Measure 3

Title: *An Initiative to prohibit starting a school term prior to the last day of August.*

A vote "YES" will adopt the proposed law.

A vote "NO" will reject the proposed law.

ATTORNEY GENERAL EXPLANATION

State law currently allows local school boards to establish the start of a regular school term on any date. The proposed law would prohibit local school boards from establishing the start of a regular school term prior to the last day of August.

Initiated Measure 4

Title: *An act to provide safe access to medical marijuana for certain qualified persons.*

A vote "YES" will adopt the proposed law.

A vote "NO" will reject the proposed law.

ATTORNEY GENERAL EXPLANATION

This initiative would allow persons, including minors with parental consent, with a debilitating medical condition, to be certified to grow (not more than six plants), possess (not more than one ounce) and use small amounts of marijuana for medical purposes.

"Debilitating medical condition" is defined to include cancer, glaucoma, HIV, AIDS, or a chronic, debilitating condition that produces cachexia, wasting syndrome, severe or chronic pain, severe nausea, seizures, including epileptic seizures, severe or persistent muscle spasms, including spasms caused by spinal injury, multiple sclerosis, Crohn's disease or fibromyalgia or any other medical condition approved by the Department of Health.

Certification may be accomplished by submitting medical records to the Department of Health or by submitting a doctor's recommendation.

A person may not drive while impaired by marijuana and may not smoke marijuana in any place where tobacco smoking is prohibited.

Growth, possession and use of marijuana will still be illegal under federal law but certification is a defense to criminal prosecution under state law.

Initiated Measure 5

Title: *An Initiative to place certain restrictions on the use of state owned or leased aircraft.*

A vote "YES" will adopt the proposed law.

A vote "NO" will reject the proposed law.

ATTORNEY GENERAL EXPLANATION

State law currently allows state employees to use vehicles owned or leased by the State only for state business. There is a limited exception for state employees with a supervisor's approval. The Governor and certain law enforcement personnel are exempt.

The proposed law requires aircraft owned or leased by the State to be used only for state business, with no exceptions. A person violating this provision would now be subject to civil and criminal penalties.

Initiated Measure 7

Title: *An Initiative to repeal video lottery.*

A vote "YES" will adopt the proposed law.

A vote "NO" will reject the proposed law.

ATTORNEY GENERAL EXPLANATION

The State operates video lottery as authorized by State law. During the last year, the State received approximately one hundred twelve million dollars (\$112,000,000.00) from video lottery which is 11% of the state general fund budget.

The proposed law would repeal video lottery and eliminate this source of revenue.

Initiated Measure 8

Title: *An Act to repeal the gross receipts tax on wireless telecommunication services.*

A vote "YES" will adopt the proposed law.

A vote "NO" will reject the proposed law.

ATTORNEY GENERAL EXPLANATION

State laws impose a four percent tax on the gross receipts of companies providing wireless telecommunications (cell phone) services instead of a property tax.

Last year the State received approximately eight and one-half million dollars (\$8,500,000.00) from the cell phone tax. Forty percent (40%) of these revenues are distributed to counties based on population; the balance goes to the State.

The proposed law would repeal this tax, and eliminate this source of revenue.

Referred Law 6

Title: *Referral of HB 1215, entitled "An Act to establish certain legislative findings, to reinstate the prohibition against certain acts causing the termination of an unborn human life, to prescribe a penalty therefore, and to provide for the implementation of such provisions under certain circumstances."*

A vote "YES" will allow the Act to become effective.

A vote "NO" will reject the Act.

ATTORNEY GENERAL EXPLANATION

Current South Dakota law generally allows a pregnant woman to obtain an abortion during the first 24 weeks of pregnancy. Beyond 24 weeks, abortions may be performed only if necessary to preserve the life or health of the pregnant woman.

House Bill 1215 would prohibit any person, at any time, from providing any medicine or other substance to a pregnant woman for the specific purpose of terminating her pregnancy. However, a person may provide a contraception substance to a woman without penalty prior to the time her pregnancy could be determined by conventional medical testing.

HB 1215 would also prohibit any person, at any time, from using any instrument or procedure on a pregnant woman for the specific purpose of terminating her pregnancy, unless the person is a licensed physician performing a medical procedure to prevent the death of the pregnant woman.

Any person other than the pregnant woman who violates the provisions of HB 1215 would commit a felony.

If approved, HB 1215 will likely be challenged in court and may be declared to be in violation of the US Constitution. If so, the State may be required to pay attorneys fees and costs.



Save the Date!

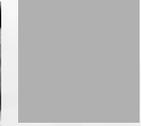
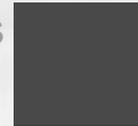
November 8 - 9, 2006

Building a Biobased Economy on the Plains 1st Annual South Dakota Biotech Summit

Join us for the premiere conference for biotechnology in South Dakota. Learn how South Dakota will benefit from using our natural resources and capabilities to become a leader in biotechnology

Panel Discussions:

- Workshops for plant and animal science.
- The latest developments on biosecurity.
- Network with government and industry leaders.
- Life and Health services benefit from biotech
- The latest developments for biofuels



SOUTH DAKOTA
biotech
ASSOCIATION

Advertise • Sponsor • Speak • Exhibit

Register online at www.sdbio.org/summit

Hosted at: The Annex

Best Western Ramkota Hotel

Sioux Falls, SD

Questions Call 323-0119

SOUTH DAKOTA CORN TALK is published by the South Dakota Corn Growers Association, a non-profit South Dakota organization. Any articles pertaining to corn, corn products and the corn industry are encouraged and welcomed.

Non-Profit
Organization
U.S. Postage
PAID
Permit No. 1209
Sioux Falls, SD

**South Dakota
Corn Growers Association**
3801 S. Western Ave., Suite 100 • Sioux Falls, SD 57105
605-334-0100 • Fax 605-334-0505

