

State of South Dakota

EIGHTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2010

426R0044

HOUSE STATE AFFAIRS

ENGROSSED NO. **HB 1192** - 2/19/2010

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Representatives Fargen, Blake, Bolin, Boomgarden, Brunner, Burg, Carson, Cronin, Dennert, Elliott, Faehn, Feickert, Feinstein, Frerichs, Gibson, Gosch, Greenfield, Hamiel, Hoffman, Hunhoff (Bernie), Iron Cloud III, Killer, Kirkeby, Kirschman, Krebs, Lange, Lucas, McLaughlin, Moser, Noem, Novstrup (David), Nygaard, Olson (Betty), Pitts, Rausch, Rave, Rounds, Schlekeway, Schrempp, Solberg, Solum, Sorenson, Street, Thompson, Van Gerpen, Vanderlinde, Vanneman, Wink, and Wismer and Senators Knudson, Abdallah, Ahlers, Bartling, Bradford, Brown, Dempster, Gant, Garnos, Gillespie, Gray, Hanson (Gary), Heidepriem, Hundstad, Jerstad, Kloucek, Maher, Merchant, Miles, Nesselhuf, Novstrup (Al), Olson (Russell), Peterson, and Turbak Berry

1 FOR AN ACT ENTITLED, An Act to establish an ethanol blender pump incentive grant
2 program, to make an appropriation therefor, and to declare an emergency.

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

4 Section 1. The ethanol blender pump incentive grant program is hereby established and shall
5 be administered by the Department of Tourism and State Development. Under the program, the
6 department shall award incentive grants to motor fuel retail dealers as defined in § 10-47B-3 for
7 the purpose of entering into contracts for the purchase or installation of ethanol blender pumps
8 and associated above-ground piping and storage systems and related equipment to be used at
9 facilities operated by the retail dealers for the sale of motor fuel to the public. No grant under



1 the program may exceed ten thousand dollars. However, a retail dealer may receive more than
2 one grant under the program. To be eligible for a grant, a retail dealer shall be located in South
3 Dakota. Grants may be made under the program during the period beginning on April 1, 2010
4 and ending on May 28, 2010 if funds are available in the ethanol blender pump incentive grant
5 fund established pursuant to section 3 of this Act. The department may use up to five percent
6 of any amount appropriated to the ethanol blender pump incentive fund for administration, the
7 dissemination of information related to the ethanol blender pump incentive program, and the
8 dissemination of information related to the benefits of ethanol.

9 Section 2. For purposes of this Act, the term, ethanol blender pump, refers to a mechanism
10 provided by the retail dealer for the dispensing at retail of ethanol blend as defined in
11 § 10-47B-3 so that the end user may select the ratio of ethanol to gasoline to be dispensed. The
12 pump shall be the type that:

- 13 (1) Dispenses at retail a blend of gasoline and ethanol in the ratio selected by the
14 purchaser;
- 15 (2) Is manufactured to an industry standard and carries a warranty for compatibility with
16 dispenser components and storage and piping systems;
- 17 (3) Has at least four hoses and dispenses the following:
 - 18 (a) Either a blend of ten percent ethanol or the minimum blend percentage
19 approved for all vehicles by the United States Environmental Protection
20 Agency;
 - 21 (b) A blend of at least fifteen percent ethanol; and
 - 22 (c) E85 fuel; and
- 23 (4) Complies with all alternative fuel, biofuel, and flexible fuel requirements established
24 by law.

1 Section 3. There is hereby created a special fund within the Department of Tourism and
2 State Development known as the ethanol blender pump incentive grant fund. Money in the fund
3 may only be used to provide incentive grants pursuant to this Act and as otherwise provided in
4 section 1 of this Act. The fund consists of legislative appropriations, donations, interest on
5 investments, and moneys from all legal public and private sources, including federal grants. All
6 funds received in the ethanol blender pump incentive grant fund shall be set forth in an
7 informational budget as described in § 4-7-7.2.

8 Section 4. There is hereby appropriated the sum of one million dollars (\$1,000,000), or so
9 much thereof as may be necessary, in federal fund expenditure authority, to the Department of
10 Tourism and State Development for the expenditure of funds received through the American
11 Recovery and Reinvestment Act of 2009, P.L. 111-5 to implement the ethanol blender pump
12 incentive grant program as provided in this Act.

13 Section 5. The secretary of tourism and state development shall approve vouchers and the
14 state auditor shall draw warrants to pay expenditures authorized by this Act.

15 Section 6. Whereas, this Act is necessary for the support of the state government and its
16 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in
17 full force and effect from and after its passage and approval.