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

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

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

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

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

10-45-16.1. There are hereby specifically exempted from the provisions of this chapter and from the computation of the amount of tax imposed by it, gross receipts from the sale of pesticides, as defined in § 38-20A-1, to be used exclusively by the purchaser for agricultural purposes. Any product or substance to be used in conjunction with the application or use of pesticides for agricultural purposes is also exempt. The products or substances include adjuvants, surfactants, ammonium sulfate, inoculants, drift retardants, water conditioners, seed treatments, foam markers, and foam dyes. Equipment, other than farm machinery, attachment units, and irrigation equipment used exclusively for agricultural purposes for the application of pesticides and related products and substances is not exempt. The tax imposed by this chapter on endoparasiticides and ectoparasiticides shall be used for veterinary student tuition grants, for South Dakota residents in the South Dakota State University veterinary program operations, and the operations and activities conducted by the State Animal Disease Research and Diagnostic Laboratory established in § 13-58-13. The amount of funding initially dedicated to establish the

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tuition grants and South Dakota State University veterinary program operations shall be based upon the difference between in-state and out-of-state tuition for veterinary student grants designated for South Dakota students at the Iowa State University veterinary program in fiscal year 2020, of which at least seventy-five percent shall be used to fund tuition grants for South Dakota residents in the program. The portion designated for tuition grants shall be adjusted annually based on the difference between the prior year and current year tuition rate for veterinary program at the University of Minnesota, or other future accredited institution of higher education collaborating with South Dakota State University veterinary program for final degree completion. An additional amount of two hundred fifty thousand dollars shall be used to support the operations of the laboratory. The funding shall be budgeted and expended through the general appropriations act pursuant to chapter 4-7.

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

10-46-17.5. Pesticides, as defined in § 38-20A-1 to be used exclusively for agricultural purposes, are exempt from the tax imposed by this chapter. Any product or substance to be used in conjunction with the application or use of pesticides for agricultural purposes is also exempt. These products or substances include adjuvants, surfactants, ammonium sulfate, inoculants, drift retardants, water conditioners, seed treatments, foam markers, and foam dyes. Equipment, other than farm machinery, attachment units, and irrigation equipment used exclusively for agricultural purposes, for the application of pesticides and related products and substances is not exempt. The tax imposed by this chapter on endoparasiticides and ectoparasiticides shall be used for veterinary student tuition grants, for South Dakota residents in the South Dakota State University veterinary program, South Dakota State University veterinary program, and the operations and activities conducted by the State Animal Disease Research and Diagnostic Laboratory established in § 13-58-13. The amount of funding initially dedicated to establish the tuition grants and South Dakota State University veterinary program operations shall be based upon the difference between in-state and out-of-state

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University veterinary program in fiscal year 2020, of which at least seventy-five percent shall be used to fund tuition grants for South Dakota residents in the program. The portion designated for tuition grants shall be adjusted annually based on the difference between the prior year and current year tuition rate for the veterinary program at the University of Minnesota, or other future accredited institution of higher education collaborating with South Dakota State University veterinary program for final degree completion. An additional amount of two hundred fifty thousand dollars shall be used to support the operations of the laboratory. The funding shall be budgeted and expended through the general appropriations act pursuant to chapter 4-7.

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

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

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I certify that the attached Act originated in the	Received at this Executive Office this day of,
SENATE as Bill No. 43	20 at M.
Secretary of the Senate	By for the Governor
President of the Senate	The attached Act is hereby approved this day of, A.D., 20
Attest:	
Secretary of the Senate	Governor
	STATE OF SOUTH DAKOTA,
Speaker of the House	Ss. Office of the Secretary of State
Attest:	Filed, 20 at o'clock M.
Chief Clerk	
	Secretary of State
	By
Senate Bill No43_ File No Chapter No	Asst. Secretary of State