STATE OF SOUTH DAKOTA



OFFICE OF ATTORNEY GENERAL

JUL 10 2024

S.D. SEC. OF STATE

MARTY J. JACKLEY ATTORNEY GENERAL P.O. Box 70
Rapid City, South Dakota 57702
Phone (605) 394-2258
Fax (605) 394-5476
http://atq.sd.gov

BRENT K. KEMPEMA CHIEF DEPUTY

July 8, 2024

Honorable Monae L. Johnson Secretary of State 500 E. Capitol Pierre, SD 57501 sdsos@state.sd.us VIA MAIL & EMAIL

RE: Attorney General's Statement Referred Law SB 201

Dear Secretary Johnson,

Senate Bill 201, as passed by the South Dakota Legislation is being considered for referral to a vote of the people at the 2024 General Election. By operation of SDCL § 12-13-9, the Attorney General's Office has a duty to file the Attorney General's Title, Explanation, and Recitations for that referral "before the second Tuesday in July." Enclosed is the Attorney General's Statement for the referral of SB 201.

By copy of this letter, I am providing a copy of the final Statement to the Legislative Research Council.

Very truly yours,

Steven R. Blair

Deputy Attorney General

Enclosures.

Cc/encl:

SECRETARY OF STATE

John McCullough Legislative Research Council (via email only)

Rachel Soulek, Sec. of State's Office - Div. of Elections (via email only)

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REFERRED LAW 2

ATTORNEY GENERAL'S STATEMENT

<u>Title</u>: A Referred Act to Provide New Statutory Requirements for Regulating Linear Transmission Facilities, to Allow Counties to Impose a Surcharge on Certain Pipeline Companies, and to Establish a Landowner Bill of Rights.

Explanation:

The Act authorizes counties to impose, for any tax year in which the pipeline operator receives a tax credit, a \$1.00 per foot surcharge on carbon dioxide pipelines. Revenue from the surcharge must be distributed as tax relief to each property owner in the county where the pipeline is installed. Any remaining revenue can be allocated at each county's discretion. No other fee may be imposed except property taxes, or fees associated with road agreements.

The Act also imposes certain requirements on carbon dioxide pipelines: pipelines must be installed to a minimum depth; each pipeline operator is responsible for damages to drain tile, and to the surface owner, caused by the pipeline; each operator is also responsible for leaks or failures of the pipeline; and any land agent acting on behalf of the pipeline must be a pipeline employee, State resident, or State licensed real estate agent. The Act also includes requirements that carbon pipeline easements be in writing, and only enforceable for a specified period of time; pipeline operators must initiate business operations within five years of the easement; and each easement is void after five years of nonuse.

Vote "Yes" to allow the Act of the Legislature to become law.

Vote "No" to reject the Act of the Legislature.