



# POLICY PROGRAM



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**LONG TERM PURPOSES AND POLICY PROGRAM OF  
SOUTH DAKOTA FARMERS UNION IS THE 2011 PROGRAM AND POLICY STATEMENT  
OF THE SOUTH DAKOTA FARMERS UNION AS ADOPTED BY THE DELEGATES AT THE  
SOUTH DAKOTA FARMERS UNION CONVENTION FEBRUARY 11-12, 2011**

**I. MISSION:** Uniting farmers, ranchers, and communities to strengthen South Dakota.

**II. NATIONAL AFFAIRS**

**A. FARM AND FOOD POLICY**

**1. Farm Program**

We recommend that the following specific conclusions be fully considered during any review of U.S. farm policy:

- 1) Agriculture is an energy producer and national security improves as domestic energy resources are diversified. Agricultural policy and energy policy should work together effectively.
- 2) Feed grain loan rates should be increased to better reflect their renewable energy value.
- 3) Loan rates should be based on the cost of production. We should update the county base yields.
- 4) Producers should have full flexibility to make their own planting decisions.
- 5) We favor a short term, paid land diversion program designed to remove cropland from production for a period of up to three years.
- 6) The Farmer-owned Grain Reserve (FOR) should be restored and strengthened to serve as an “ever-normal granary” for both producers and consumers. The reserve should be expanded to include all non-perishable farm commodities and strengthened to provide for at least one year’s consumption and a strategic feed grain reserve dedicated to renewable energy production.
- 7) So-called multiple entity rules allowing farms to be artificially divided in order to avoid payment limitations should be abolished.
- 8) We oppose any budgetary proposals that would result in a direct or indirect loss of net farm income to family farmers and ranchers.
- 9) We support regional milk marketing compacts provided they:
  - a) Address the price of all classes of milk—not just Class I.
  - b) Set the compact price at the cost of production
- 10) We are opposed to the use of commodity certificates or any other means of exceeding payment limitations.
- 11) Base acres established prior to entering any farm program, or being displaced by natural disasters for multiple years should be preserved for times when land comes back into production.
- 12) Conservation

We support conservation programs funded at levels that ensure continued protection of our soil, water, and virgin sod.

  - a) Conservation Reserve Program
    - 1) We support continuation of the Conservation Reserve Program (CRP).
    - 2) CRP eligibility should be modified to include lands that have been cropped during at least two of the previous 10 years. CRP eligibility should also be extended to include farmland and pastureland that has been affected by declared weather

related disasters or crop diseases during at least two of the previous 10 years.

- 3) CRP payments should be established at fiscally responsible levels and enrollment or re-enrollment should target highly erodible lands with payments based on county average cash rents for highly erodible land. Farmland and pastures that have been flooded for one or more years and cropland that has been repeatedly plagued by disease should also be eligible for enrollment.
- 4) CRP contracts should continue to be long term.
- 5) Uniform standards should be applied for enrollment or re-enrollment of land in the CRP.

**b) Long Range Farm Policy Proposal - The Parity of Income Plan**

When the concept of parity was first introduced in agricultural law in 1936 the goal of national farm policy was to provide farm families a net income that was on par with the net income of non-farm families to insure that producers had the same purchasing power as their urban neighbors. The 1910-14 base was selected as the appropriate economic period to achieve the goal of income parity.

The failure of farm programs to provide a parity of income for family farmers is a violation of the social contract between family farmers and consumers in which farmers are responsible for production of a dependable supply of food and fiber in return for a parity of income with the rest of our society.

To return to the principle of parity of income, federal farm policies must provide agricultural incentive payments to family farmers to make up the difference between commodity prices in the market place and full parity for all agricultural commodities. These payments should be made to all family farmers based on their units of production to raise the return on their labor and management to the national median family income. Such payments must be strictly limited to family farm operators through a maximum payment level that would provide full time family farm operators a parity of net income.

The payments would be based on a per unit rate for the commodities produced by the family farm to make up the difference, if any, between prices received and the parity price of each commodity. The volume of commodities for which each farm family would be eligible to receive payments would be computed by the difference between the cost of production [excluding labor and management returns] and parity. This fair margin of return would be divided into the national median family income level to determine the maximum number of units of production for which payments could be made.

Payments would be made in the order of the commodities which had the least difference between prices received and parity to those commodities which had the largest difference until the goal of income parity is reached through a maximum number of eligible units of production for that farm.

The goal of such payments is to provide a parity of income and encourage full-time production by the farm family. Unearned income [from interest, dividends, rent, etc.] and off-farm income [from wages, etc.] would reduce the maximum number of units of production eligible for incentive payments proportionately to the net income goal of the incentive payment program.

The family farm incentive payment shall be so designed to encourage diversified production units to the size of economic efficiency for the combination of commodities produced together with appropriate soil and water stewardship.

- 13) We support the repeal of Title 1619 of the 2008 Farm Bill to allow aerial land map availability to the public

## **2. Farm Service Agency**

- a) We reaffirm our support for the farmer-elected committee system. This proven system should not be compromised through the addition of non-farm or ranch appointees.
- b) Farmer-elected committees ought to have more power over day-to-day decision making involved in administration of the farm program.
- c) We urge uniform interpretation of rules and regulations between county and state offices.
- d) We oppose efforts to dismantle the Farm Service Agency (FSA) delivery system through office closures and elimination of county office employee jobs. Efforts to reduce spending ought to be fairly balanced among all agencies of the USDA and federal government.

## **3. Federal Crop/Multi-Peril Crop Insurance**

We support more affordable coverage, yield adjustments for disaster losses and the encouragement of expansion for specialty crops and livestock. We continue to favor expansion of the revenue assurance program.

## **4. National Commodity Research and Promotion Programs (Check off Programs)**

We will support research and promotion programs financed by deductions from the proceeds of sales of agriculture commodities, if the following criteria are met:

- a) That disbursement of funds collected, is controlled by boards of all producers elected by the producers assessed.
- b) The operations of the program are controlled by those producers' boards.
- c) We support voluntary programs.
- d) South Dakota Farmers Union believes in beef check off reform. South Dakota Farmers Union urges National Farmers Union to act as a contracting agent of the National Beef Check Off whenever possible. United State Beef Check Off dollars should be used to promote United States Beef.

## **5. USDA Information and Research**

### **a) USDA Information Program**

It is very important that the USDA provide accurate up-to-date information to the public with regard to farm prices, income and parity levels. The Secretary of Agriculture should present the facts concerning the costs and benefits of public expenditures and of the small share of the consumer food dollar received by farmers and ranchers.

### **b) Expanded Agricultural Research**

We urge continued appropriation of funds for fundamental agricultural research designed to improve the marketing and income of family farms and promote the development of new uses for farm products and utilization of renewable farm-based products.

### **c) USDA Crop and Livestock Reporting Service**

We strongly urge the USDA Crop and Livestock Reporting Service to utilize the best and most accurate information for releasing crop and livestock production reports.

**d) Animal, Plant, Health Inspection Service (APHIS)**

We support more testing on animals and plants.

- 1) All testing should be open and transparent.
- 2) USDA should create a comprehensive plan for all test results.
- 3) We believe cattle processing plants should be allowed to test for Bovine Spongiform Encephalopathy (BSE) in individual animals.
- 4) Ionophores should not be defined as an antibiotic and all subsequent research statistics should be defined as separate entities.
- 5) We support transportation of all livestock, including horses, for slaughter domestically and internationally.

**e) National Animal Identification System (NAIS)**

South Dakota Farmers Union opposes a mandatory program. If a voluntary identification program is implemented, confidentiality of collected data is essential to the integrity of the program. Also, an exemption from the Freedom of Information Act and limiting producer liability after an ownership change would need to be included in any program. The South Dakota Farmers Union would support local control of the South Dakota collected data (the South Dakota Animal Industry Board). The stated purpose of the NAIS is to identify specific animals and record their movements, to enable a 48-hour trace back of any disease or exposed animal. The data collected should be only the data necessary to fulfill the requirements of the stated purpose. The South Dakota Farmers Union would not support the requiring 4-H and FFA youth to sign up their parents with a premise ID. Any costs associated with the development and implementation of NAIS should be paid by the United States government. Also, a cost analysis should be done on NAIS so that the industry and individuals know what the costs are and who is going to pay.

**6. Grading and Marketing**

**a) Grain Inspection**

We urge Congress to review the adequacy of the grain inspection system with emphasis on the following:

- 1) Prohibit conflicts of interest between inspectors and grain traders.
- 2) Provide penalties including revocation of license, suspension of operations, fines and/or imprisonment. The export of grain handling license of any firm found guilty of adulteration of grain moving in international trade should be revoked for a period of not less than 10 years.
- 3) We support the establishment and enforcement of international grain standards designed to protect the interests of agricultural producers and consumers throughout the world.

**b) State Inspection**

We support federal appropriations for grants-in-aid to state-operated programs of seed and fertilizer inspection, plant and livestock, pest disease eradication and control, forest fire prevention, market news and warehouse licensing and other farmer and consumer protective and marketing services including those carried out by the U.S. Food and Drug Administration as well as by the U.S. Department of Agriculture. We support interstate distribution of state inspected meats.

**c) Grading**

We urge that appropriate steps be taken to establish federal protections for all agricultural commodities.

**d) Livestock Marketing**

We support the following efforts and programs aimed at increasing the farmer and rancher's share of the consumer's meat dollar:

- 1) We support development of new farmer and rancher-owned meat packing and retail cooperatives.
- 2) We support continuous monitoring of livestock and meat imports to properly assess their impact on domestic markets.
- 3) We urge the US Department of Agriculture to continually monitor the operation of the mandatory livestock price reporting system.
- 4) We support mandatory country-of-origin labeling (COOL) for meat products. Animals must be born, raised, slaughtered, and processed in the U.S. to receive U.S. origin label.
- 5) We recommend that USDA follows the intent of COOL as it was written by Congress in the 2008 farm bill.

**e) Genetically modified organisms**

- 1) Some genetically modified organisms (GMO) may create a series of ethical, environmental, food safety, legal, market and structural issues that impact everyone in the food chain. Consumer and producer concerns need to be addressed.
- 2) We respect all nations' sovereignty and food policies and thus urge open dialogue, cooperation and understanding in trade negotiations relating to biotechnology.
- 3) We support the Missouri Seed Availability and Competition Act.

**f) Grain Marketing**

- 1) We urge Congress to continue to investigate grain companies as to the total pricing system and any quality discounts such as vomitoxin levels and scab.
- 2) We urge that an equivalent bushel concept (EBC) be adopted, which can be done by having a standard base moisture level for each grain and the producer be paid for that level. This can be a deterrent to present illegal practice of adding water to dry grain, bringing it up to standard moisture content.

## **7. Expand Food Consumption**

We deplore reductions in domestic food utilization and distribution programs such as food stamps, school lunches, Women Infants and Children (WIC) programs, elderly nutrition programs, and summer food service programs, which assist low-income people in obtaining sufficient food to meet their nutritional needs.

- a) We call upon the administration to expand the School Milk and School Lunch Programs to every school child. Reduction of surpluses and improved child nutrition would be advanced by offering school children additional cartons of milk.
- b) Federal agencies should be prohibited from using imported commodities in school lunch and other organization programs.
- c) We oppose federally mandated nutrition standards for school lunches that replace long accepted health standards with menu choices that reduce or eliminate meat and dairy products.
- d) Federally owned surplus commodities should be utilized in the school lunch and summer food service programs.

## **8. Recapitalize and Develop Rural America**

**a) Farm, Ranch and Beginning Farmer Lending Programs**

We believe that the federal government's status as a guarantor of loans by commercial lenders must be balanced with direct lending programs targeted at assisting beginning farmers. Direct loans should be viewed as "yardstick" credit to keep interest on private loans and government insured loans at lowest possible levels.

We urge Congress to prohibit the sale of farmland in the FSA inventory to non-resident foreign investors. Efforts should be made to increase the number of loans at lower interest rates with emphasis to beginning farmers and to extend the repayment terms on farm operating loans to 10 years.

We support the continuation of the Limited Resource Loan Program and urge that 35 percent of FSA loans be set aside for this program. We urge loans for construction and/or improvement of farm/ranch homes be made available.

We continue to support the major provisions of the 1987 Farm Credit Act and demand that FSA observe the intent of that legislation. In cases of an appeal, the State Mediation Board should be used to ensure impartiality.

In times of drought, natural or price disaster, low interest money should be made available to farmers and ranchers with a proven loss on their operation. Interest and principal payments on existing loans should be deferred. We further recommend that during the period that a moratorium shall apply that principal repayment time be extended equally to the crop years lost by disaster and that interest repayments shall be deferred without prejudice during this same period.

Operators should be given the opportunity to refinance at a lower rate of interest. Farm operating loans should bear interest of five percent or less. Emergency and disaster loans should be limited to the operating costs of the next year's production, not to exceed \$200,000.

In addition, we propose that loan payments to the FSA be placed in a state FSA revolving fund which would then be made available for future loans within the state.

#### **b) Farm Credit System**

The Farm Credit System provides a substantial portion of the credit used by American farmers and ranchers. Member control by the democratic process of these cooperative financial institutions is essential to their continued success and survival.

- 1) We support local control over these key rural lending institutions.
- 2) We urge that all borrowers be charged the same rate of interest for similar loans.
- 3) All borrowers should be required to purchase stock in the cooperative.
- 4) Farm Credit System institutions should be required to participate in farm loan mediation programs.

#### **c) Rural Electric and Telephone Cooperatives and the Rural Utilities Loan Program**

We believe that a strong Rural Utilities Loan Program is vital to the needs of the nation's rural electric cooperatives.

We support the Rural Electrification Administration insured and guaranteed loan programs.

We strongly oppose any efforts to "privatize" the REA or federal power marketing agencies.

We urge Congress to approve amendments to the Rural Electrification Act which are designed to ensure the continuation of adequate, long-term financing for the nation's rural electric and telephone systems provided that lower interest rates are made available to systems serving sparsely settled areas.

We support the maintenance of territorial protection for rural electric systems to guarantee access to affordable electric power. We oppose retail wheeling and federally mandated restructuring of the electric utility industry. Retail wheeling would force rural consumers to pay for stranded costs that would result if large customers leave the electric grid and purchase their electricity elsewhere.

Rural electric cooperatives have recently acquired broad new capabilities to promote rural economic development. Local rural electric boards should be fully informed on their potential new role in providing credit for new rural development.

We support the continuation of the Universal Service Fund for rural telecommunications cooperatives.

#### **d) Sale of Federally Financed Loans**

We oppose the sale of federally financed loans at a discounted rate unless the individual or entity affected has the right of first refusal to purchase their loan at the established discount rate.

### **9. Curb Corporation Farming**

We believe that Congress should enact legislation requiring investor-owned, non-family farm corporations to divest their holdings in agricultural properties. We call on the USDA and the Justice Department to conduct a full and complete study of the extent to which outright corporate ownership and contract production have limited the market access of independent family farmers. Once the facts have been determined, we call upon Congress to pursue all appropriate remedies.

### **10. Cooperative Legislation**

#### **a) Taxation of Cooperatives**

We oppose any governmental action that attempts to dictate the time and manner of returning cooperative patronage earnings or refunds. Cooperatives need to be treated like LLC's for tax purposes.

We strongly support value-added cooperatives. We call on the Internal Revenue Service and/or Congress to amend any rules preventing farmers from organizing cooperatively to add value to their livestock through a biological process (feeding).

We strongly support the Capper-Volstead Act and urge Congress to enforce it.

#### **b) Support and Expansion of Credit Unions**

We encourage Farmers Union groups to be aggressive in forming and furthering credit unions and promoting legislation in their behalf.

We oppose efforts to tax credit union earnings prior to their allocation to members. We oppose proposals to merge the Credit Union Insurance Fund with the Federal Deposit Insurance Corporation [FDIC].

### **11. Animal Welfare**

Misinformation about animal welfare from any source must be combated with facts.

## **12. Predator Control**

- a) It is essential that the federal government establish a program utilizing both federal and state departments of agriculture to control predatory animals. We recognize the need for livestock producers to protect their livestock from predators. We urge the Environmental Protection Agency (EPA) and Congress to continue the use of approved practices such as the M-44 Sodium Cyanide capsules and Sodium Fluoracetate (commonly known as “compound 1080”).
- b) We support a comprehensive review of the Endangered Species Act of 1973.
- c) Highly demanded public benefits, in the form of conservation of at-risk wildlife species, may be derived from the use of or restrictions on the use of private lands. These uses or restrictions may hinder landowner’s ability to generate income from affected lands or otherwise infringe upon the use and enjoyment of their properties. In such cases, landowners should be financially compensated through voluntary participation in incentives and must provide sufficient long-term stability assurances to allow landowners to implement necessary changes in their crop or livestock operations.

## **13. Weed and Pest Control**

- a) We expect the federal government to take steps to control noxious weeds, insects, and other pests on Forest Service grazing land, trust land and all land within Department of Interior and Waterfowl Production areas as well as right-of-ways.
- b) We urge continued research for USDA at universities to develop better pest control techniques and educational programs to assist farmers and foresters in the best and safest use of pesticides, other agricultural chemicals, and other means, to assure wholesome food and a clean environment.

We urge establishment of a USDA/farmer cost-sharing program for insect and pest control during times of emergency.

- c) We urge support of the U.S. EPA’s registration review process for atrazine and it must continue to rely on quality controlled and peer reviewed science as the basis for any outcome.

## **14. Sustainable Agriculture**

Sustainable agriculture does not mine the soil’s nutrients or contribute to global warming by depleting the soil’s organic matter. Many current farming practices such as no till and integrated farming/livestock operations have shown that agriculture can be both productive and sustainable. Effective minimum tillage and cropping practices will sustain the soils nutrients, limit erosion, limit leaching of nitrogen, and build organic matter. Such practices allow modern agriculture to produce both more food and fuel and be the nation’s most efficient carbon sink on into the future. We support farm bill provisions making agriculture more sustainable and productive.

## **15. Organic Farming**

We support farming techniques that utilize organic farming and we encourage increased national agricultural research that prioritizes the study and development of organic farming methods. We also promote educational efforts that contrast organic farming methods and results with that of chemical usage.

## **B. ECONOMIC POLICY**

### **1. Inflation, Interest Rates and the National Debt**

- a) Reforms in our inequitable tax structure are essential if we are to reduce the national debt. Excess-profits tax should be levied on those corporations whose profits are clearly out of line with reasonable rate of return on invested capital.
- b) The Federal Reserve Board should be reconstituted to include representatives of agriculture, small business and labor.

### **2. Federal Income, Corporate and Estate Taxes**

- a) We support eliminating some unjustified loopholes that allowed wealthy individuals and corporations to escape their fair share of the federal tax load.
- b) Income averaging is a necessary tax provision for agriculture and other businesses characterized by instability of economic return. Income averaging should continue as an element of federal tax policy.
- c) Every effort should be made to restore an enhanced degree of progressivity to the tax code by increasing the number of brackets and increasing the maximum tax rate for the wealthy.
- d) Alien owners of U.S. farmland and other property should be subject to the same taxes as domestic owners.
- e) We urge that the investment tax credit be reinstated at an incremental level beneficial to family farmers and small businesses.
- f) Foundations and churches should be taxed while engaging in commercial, profit-making activities.
- g) We urge that the deductibility of state sales taxes be restored to the federal tax code.
- h) We are opposed to the imposition of a national value-added, general sales tax, manufacturer's tax, or any other similar tax.
- i) We urge the federal income tax deductibility of 100 percent of health insurance premium and health care cost for self-employed persons.
- j) We believe in equitable tax treatment for all businesses. We, therefore, support the right of state governments to collect sales taxes on Internet and catalog sales.

### **3. Anti-Monopoly policies**

We believe that monopolistic concentration in the meat packing, transportation, energy, and seed industries has reduced competition to a point where producers no longer have access to fair and equitable markets. We favor the following actions:

- a) We support legislation to prohibit ownership or control of feedlots by meat packing firms. We oppose ownership of livestock by packing firms except for the reason of immediate slaughter.
- b) We favor a full-scale congressional investigation of unjustified industry spread between producer and consumer prices.
- c) We support passage of legislation that would repeal the adverse impact of the Supreme Court's decision in the Illinois Brick Case and allow producers and consumers to bring anti-trust actions whether damages were direct or indirect.
- d) We urge that the Packers and Stockyards Act be fully enforced with equal attention paid to the problems of monopolistic control, manipulation of prices, deception and fraud. The Grain inspection, Packers and Stockyards Administration (GIPSA) must be maintained and adequately funded to accomplish its mission. It should be prepared to fully coordinate research and investigative work with the Federal Trade Commission.

- e) We urge GIPSA to review and revise its livestock buyer bonding requirements to ensure adequate protection to the sellers of livestock.
- f) We urge Congress to immediately investigate the imposition of excessive technological fees assessed against farmers. We support legislation to prohibit corporations from developing or selling seed that contains a terminator gene and, thus, cannot reproduce.
- g) We urge that a national conference be held to include representatives of farmers, ranchers, consumers and organized labor in an effort to eliminate monopolistic practices in the food industry.
- h) We ask Congress to enact legislation making it illegal for major grain traders to sell more grain than they owned during a delivery month. We also demand that the Commodity Futures Trading Commission (CFTC) fully enforce existing laws, rules, regulations and the CFTC deny any request for an increase in the number of positions that may be held by any individual trader. We request that family farmers and ranchers be accorded seats on both the CFTC and the CBOT.
- i) We support anti-trust action to increase competition in the private sector of energy industries.
- j) We support a full federal investigation of the effects of concentration in the transportation industry, especially rail transportation.
- k) We support implementation of temporary moratorium on large agricultural mergers. The moratorium is necessary to provide Congress with time to review current law and strengthen it as appropriate to restore market competition for producers and consumers.

## **C. INTERNATIONAL TRADE POLICY**

### **1. Trade Negotiations**

We oppose any kind of “Trade Promotion Authority” legislation for free trade agreements, and urge Congress to vote on each package. In order for these trade agreements to be fair, factors such as labor standards, growing practices, differing currency exchange rates and food safety regulations must be taken into account. In any Free Trade Agreement negotiation, the United States representatives should create a commodity by commodity breakdown of the effect that the agreement will have on the US Agriculture industry.

### **2. Food Sanitary Standards**

We demand that all agricultural products imported to this country be required to meet the same standards of sanitation required of American agricultural products and labeled as to point of origin. We are especially concerned about lapses that have allowed foreign beef to enter the United States through Canada or Mexico with inadequate or no inspection. We strongly oppose new USDA food safety provisions, which would transfer responsibility for meat inspections to individual meat packers.

We urge the U.S. Department of Agriculture and all relevant federal agencies to make every effort to assure that foot and mouth disease and BSE are kept out of the United States. These efforts should include a ban on the importation of all animal products from nations or regions that are not certified free of these diseases.

We oppose the rule allowing live animals over the age of 30 months to be imported for slaughter and breeding in the USA.

### **3. Import Fees**

Agriculture products currently imported into the USA have caused great economic loss to family-sized producers. Therefore, we support an import fee that would neutralize subsidies paid by foreign governments to their producers.

#### **4. Embargo**

Agricultural products should be exempt from all embargoes.

### **D. NATIONAL SECURITY AND FOREIGN POLICY**

#### **1. United Nations**

We endorse the original concept behind the United Nations (UN). We believe that it must continue to serve as a forum for countries of the world to seek peaceful relations with each other. The United Nations or any other world court should never take precedence over or be superior to the Constitution of the United States or the Bill of Rights.

We support the World Food Program of the Food and Agriculture Organization, and we ask that technical assistance for various UN programs be expanded.

We support the recognition and activities of World Food Day. International food security would be enhanced by the establishment of a United Nations Strategic Grain Reserve. This reserve should be financed by member nations according to their ability to pay and located in the major grain producing nations. The reserve should be sufficient to meet expected international emergencies.

#### **2. Peace Corps**

We urge the continuation and expansion of the Peace Corps program.

#### **3. Food for Peace Act**

We advocate the promotion of economic and agricultural development in food-deficient countries, and we ask for expanded use of the long-term loan authority of the Food for Peace Act. We support the international school lunch program as proposed by former Senators George McGovern and Robert Dole. American food and fiber programs must not be used as foreign policy weapons.

#### **4. Foreign Aid**

Foreign aid has been of great assistance to emerging democracies and other underprivileged nations. Provision of foreign aid must never be contingent upon a country's acceptance of private American investment capital. U.S. financial aid should be used to buy products made in the United States of America when possible.

Farmer-to-farmer programs, PL 480 and other international assistance programs have had positive benefits around the world. We support necessary improvements in their delivery system, but oppose termination. Export Enhancement Program (EEP) assistance ought to be retargeted toward movement of value-added rather than raw agricultural products.

#### **5. Military Armaments**

We support continuation of arms control negotiations. Cooperation between the United States, China and the states of the former Soviet Union should be expanded to include all other nations. Efforts should include further reductions in nuclear armaments and in defense spending.

## **E. SOCIAL, HEALTH AND EDUCATION POLICY**

### **1. Medical Care and Research**

- a) We support a comprehensive, universal, national, prepaid healthcare and medical facilities insurance program. This program should enable every citizen to receive fully adequate medical, dental, hospital, chiropractic and other health care services, including treatment for alcoholism, drug addiction, mental illness, and prescription drugs. This program should also include preventative healthcare services. We recommend a careful study of healthcare systems in other states and nations.
- b) We urge that any national or state health reform plans maintain rural access and cost containment as important priorities.

We support legislation that would allow American pharmacists and distributors to import prescription drugs approved by the Food and Drug Administration and sell them at more affordable prices. We urge the U.S. government and healthcare providers to negotiate with drug manufacturers to make prescription drug prices more in line with those that are available in other countries.

- c) We urge substantially increased federal appropriations for research for all major diseases and for study of prevention and effective treatment of mental illness.
- d) We support federal legislation aimed at providing equal coverage of Medicare reimbursement procedures in order that vital rural medical facilities may survive.
- e) We urge congressional action establishing an immediate 100 percent deductibility for health insurance premiums. This deduction should include all healthcare costs.
- f) We demand that Congress limit the ability of health insurance companies to dictate length of stay or possible hospital procedures.
- g) We support a patient's right to choose their medical provider.
- h) We support elimination of discriminatory pricing of prescription drugs.

### **2. Social Security and Medicare**

- a) We believe in a strong Social Security system in the United States. We recommend that:
  - 1) The Cost Of Living Adjustment (COLA) must be recalculated to include real-world expenses. Simply pinning COLA to the rate of inflation is an inefficient and detrimental method; necessities such as food, fuel, prescription medication, health care and insurance must be included.
  - 2) Some provision should be made to provide Social Security benefits for widows who are not now eligible but need some assistance.
  - 3) Dependents of beneficiaries should receive support through four years of college.
  - 4) Aid to disabled persons between the ages of 18 and 55 should not be contingent upon the economic status of the spouse, parents or other relatives.
  - 5) For purposes of Social Security benefits, we recommend the same formula be used to determine the amount of benefits regardless of the year of birth. Discrimination against so called "notch people" should be abolished. A reasonable limit be placed on the earned and unearned income of retired persons or widows with dependent children.
- b) We urge the Social Security Administration to determine the number of farm women who are not covered by Social Security. We also urge the Social Security Administration and the National Farmers Union to dispense information on how these farm women may qualify for coverage under Social Security.
- c) Social Security Fund-We recommend that federal matching funds, equal to the annual contributions by and on behalf of individuals, and be appropriated to the Social Security Fund.

Social Security taxes should be paid on unearned as well as earned income with Social Security payments being the only exception.

- d) We regard the method of classifying Medicare patients under the Diagnostic Related Groups [DRG] policy as an insult to our older citizens. We recognize the necessity of controlling increases in Medicare and other healthcare costs, but a policy that forces hospitals to discharge Medicare patients once their Medicare eligibility has run out is wrong. Patients in need of further medical care should be allowed to remain in the hospital with expenses paid through Medicare supplemental insurance or in cash.
- e) We oppose the use of Social Security funds for purposes other than Social Security benefits, such as private plans.
- f) We recommend that married couples filing joint income tax returns shall have their Social Security payments pooled, regardless of the source of income from which the payment is derived. This is, however, not to exceed the limitations now in effect.
- g) We encourage individual, personal retirement plans.

### **3. Federal Retirement System**

We ask that the present retirement system for elected officials [president, vice president and congress] be made more equitable within the level of the Social Security formula.

### **4. Federal Aid to Education**

We urge the Congress to maintain and increase funds available for student loans. We believe young people should also be given the option of participating for at least two years in a National Service Corps as partial or complete repayment of student loans.

The formula for granting monetary aid to students should be based on the need of the individual. Rural school districts should be assured of their fair share of federal and state aid to education. Federal and state educational requirements ought to be funded with federal and state aid.

The No Child Left Behind federal education program should be fully funded to implement the federal requirements or eliminated if not fully funded.

We support federal Perkins funding to local school districts that offer career and technical education curriculum.

### **5. Welfare and Human Needs**

We recognize that children constitute our greatest asset and we support nutritional, educational and financial assistance programs targeted to improving the current welfare and future opportunities for all children.

We feel the USDA should use all authorities it has, including donations, to dispense of any excess commodities to those people, both domestic and worldwide, who are in need.

### **6. Veterans' Benefits**

The nation must honor all promises of rights and benefits made to veterans. We especially advocate the continued availability of medical services for all honorably discharged veterans

through the Veterans Administration hospitals. We also ask that the burial expense for all veterans be reinstated. Provision of services should not be contingent on economic status of the veteran.

We oppose the shifting of guaranteed veterans' home loans from one bank to another to facilitate certain banks getting out of such loans in agricultural communities.

## **7. Occupational Safety and Health**

We endorse the concept of the federal Occupational Safety and Health Act because of the importance of providing safe and healthful working conditions. Due process of law must be guaranteed in determining guilt and assessing fines.

## **8. Working People and Industrial Justice**

It is our belief there should be communication between agriculture and labor on matters of vital interest to both.

## **9. Line Item Veto**

We oppose the Line Item Veto.

## **F. ENVIRONMENT**

### **1. Environmental Quality**

We urge both governmental and private groups to continue expanding their efforts to take action to rectify the pollution problems.

- a) We support preservation of the nation's wetlands. However, jurisdiction and implementation of wetlands programs has been confused and arbitrary and has often violated the rights of landowners. Land should only be designated as a wetland if all three criteria [1. hydrology, 2. predominance of hydritic soil and 3. a prevalence of hydrophytic vegetation] are present. We support the memorandum of understanding between the USDA, EPA and Army Corps of Engineers placing responsibility for designation of agricultural wetlands with the Soil Conservation Service. Arbitrary and excessive penalties mandated by the U.S. Fish and Wildlife Service have had a devastating impact on farmers. Increased local control and common sense would relieve many of the problems associated with designation and supervision of wetlands. Federal regulations should be amended to allow farmers to consolidate wetlands in a given acreage, provided there is no net loss of wetlands in such acreage.
- b) We support efforts to recycle, reuse, or conserve products and resources when cost effective and environmentally safe.
- c) We support the federal funding for watershed restoration projects. Federal funding provided through the Natural Resources Conservation Service should also be targeted toward reducing erosion along the Missouri River watershed.
- d) While dealing with pollution problems Environmental Quality Incentive Program (EQIP) assistance should be targeted to family farm agricultural production units with 1,000 animal units or less per site.

### **2. Land Use**

We favor multiple use of appropriate national forest and other public and private lands to include grazing of livestock, the raw resources industries, commensurate with family-sized farm and ranch operations.

We urge the National Farmers Union to join the Public Lands Council.

We support any efforts to bring substantive reform to the Equal Access to Justice Act.

### **3. Flood prevention**

We urge continued funding of the Small Watersheds Flood Prevention and Conservation Program. We encourage the Corp of Engineers to address the siltation problems behind mainstream Missouri River dams. We urge the Corp of Engineers to finalize the Missouri River Master Plan.

## **G. ENERGY AND TRANSPORTATION**

### **1. Transportation**

#### **a) Railroads**

We call upon federal authorities to resolve eminent domain and environmental impact issues to provide greater competition.

#### **b) Highways**

- 1) We urge the federal government to allocate sufficient funds for highway construction and maintenance in South Dakota. We strongly oppose any proposals to lessen the historical congressional commitments for funding to support rural America's secondary and farm-to-market highway systems.
- 2) We oppose any further increase in federal motor fuel taxes that is not specifically targeted at improving and maintaining the nation's transportation system.

#### **c) Waterway User's Fees**

We are strongly opposed to waterway user's fees. These fees amount to a burdensome tax on grain exports. We believe that the entire national economy benefits from exports and that the cost of maintaining and operating waterways and port facilities should be borne by the whole nation, not just shippers and farmers.

#### **d) Uniform Markers**

We urge legislation requiring reflectorizing of the sides of railroad cars. Lights on business structures should be regulated so they do not interfere with traffic.

#### **e) Pipelines**

We believe that proper environmental safeguards must be implemented and the economic interests of farmers and ranchers be fully protected during the construction and operation of oil or other pipelines.

We believe that state and federal government should take every precaution to ensure against the unwarranted use of the power of eminent domain.

### **2. Energy**

#### **a) Energy Policy**

Energy policy must be consistent with our system of family agriculture.

- 1) Elements of a national energy policy include:
  - a) Equitable distribution and efficient development of energy to assure adequate production of food and fiber;
  - b) Pricing policy which will prevent economic hardship;
  - c) A massive program to develop renewable sources of energy;
  - d) Economic assistance for family farmers and ranchers to make agriculture more self-sufficient through increased application of alternative forms of energy.
- 2) We oppose mandatory, time certain deregulation of the electric industry at the federal level. Each state should determine the timing and method of any restructuring or deregulation of electricity.
- 3) Regulations must be established by the Federal Energy Regulatory Commission to assure that farmers and ranchers receive adequate supplies of energy necessary to carry on full-scale production despite any breakdown in the distribution system. Increasing taxes would work a hardship on farmers with no effect on reducing consumption.
- 4) Publicly owned resources should, to the greatest extent possible, be developed on a not-for-profit basis. First preference should be given to publicly and cooperatively owned utilities.

## **b) Alternative Energy**

- 1) Programs for the development of environmentally friendly renewable energy sources should be conducted, with special emphasis on solar energy, wind energy and bio-based fuels, such as ethanol and bio-diesel.  
We strongly urge that the farm cooperative system pursue the development and marketing of grain-based alcohol fuels through its network of local and regional cooperatives to enable producers to retain some control over their commodities.
- 2) We recommend continued congressional vigilance to assure that EPA regulations require use of all ethanol blended fuels.
- 3) Education and research are the keys to a successful transition from our present day petroleum dependency to a future self-sufficiency based on our own renewable resources. We should take every opportunity to dispel lies and misinformation regarding the safety of ethanol.
- 4) We support an ethanol fuel program utilizing low interest federal loans to farmers and groups of farmers to build ethanol production plants.
- 5) We urge legislation to require the use of ethanol blend and soy diesel fuels in all federally owned vehicles.
- 6) We urge all consumers to make a greater use of higher blends of ethanol and bio-diesel in their motor vehicles when practical.

## **c) Public Power Policy**

We reaffirm our support for the preference clause which provides a preference in the sale of hydropower to cooperatives and public bodies in our belief that public dollars used to provide the benefit of flood control, navigation, irrigation, increased fish and wildlife and recreation, as well as hydropower, should be used for the well-being of the general public and not the stockholders of private utilities.

The Western Area Power Administration (WAPA) and other federally-owned Power Marketing Agencies (PMAs) are an essential element in the delivery of affordable electric power to members of rural electric cooperatives and customers of municipally-owned utilities. We strongly oppose any legislation that would result in sale of the PMAs.

Many hydropower dams have been built and operated on public domain by private power companies leasing these sites and operating for profit. We urge that the Department of Interior to reclaim these sites and facilities upon the termination of leases that the fullest possible development can be made for the benefit of the power-using public. Any sale of PMA's should give current preference customers first purchase option.

Future power developments on public lands should be under federal government supervision, with retention of the facility by the government and operated in the public interest.

We urge legislation to give the Department of Energy authority to supervise public and private power grids and entities, which would prevent blackouts and failure of power facilities.

We favor a policy of utility responsibility by the federal government which would assure non-profit power groups the necessary credit and financial support to set up needed generating and transmitting facilities.

## **3. Missouri Valley Development**

We urge adoption of the following order of preference in the use of water: [a] domestic and municipal consumption; [b] hydroelectric power; [c] industrial consumption; [d] irrigation [e] wildlife and recreation, and [f] navigation.

The amortization of the cost of constructing main stem Missouri River dams was established more than three decades ago. There is no sound economic reason to make any change in this rate structure. The power produced is intended primarily for preference customers who are non-profit bodies such as rural electric cooperatives, public power districts and municipal power systems. We are opposed to any unjustified increases to those rates. The power revenues derived from the mainstream dams are on schedule with the requirements of the Pick-Sloan Act, which established the original criteria.

We support the Rural Water System. Siltation is becoming a serious problem at the Gavin's Point Reservoir. We recommend that the Army Corps of Engineers, appropriate conservation districts and the states of Nebraska and South Dakota work together to resolve erosion and sedimentation problems on the Missouri and Niobrara Rivers.

## **H. COMMUNICATIONS**

### **1. Communication Deregulation**

Congressional action to further deregulate cable television and other rapidly changing elements of the communications industry must not be allowed to result in creation of new regional or national monopolies. The clear public interest mandates that we retain strong competition and full access to a broad range of information and opinion. Congressional and Justice Department attention ought to focus on the potential effects of the latest round of mergers in the communications industry and whether or not those mergers are restraining competition.

### **2. Postal Rates**

- a) We are strongly opposed to any proposal which would result in the sale or transfer of the United States Postal Service to private business. The Postal Service was established as a national responsibility more than 200 years ago and that is what it should remain.
- b) Deteriorating mail service demands urgent attention. We urge appropriate oversight committees of Congress to investigate and seriously consider returning the Postal Service to congressional control.
- c) We deplore USPS cutbacks in service in rural areas. We oppose any further closings of third and fourth-class post offices and reductions in service to rural people.
- d) We believe that postal service is a right and not a privilege. We believe, therefore, that the Postal Service should not be required by law to be a self-supporting institution, especially if that status results in oppressive increases in postal rates and reduction of services.

### **3. Telephone Rates**

To serve high cost areas with affordable, state of the art telecommunication services, we encourage the full funding of the National Universal Service Fund.

The addition of new long distance telephone service providers may have helped to lower rates, but it has also led to an increase in reports of unscrupulous practices, such as switching providers for consumers without their knowledge or written approval. We request that Congress and appropriate regulatory agencies take whatever action is necessary to protect the interests of consumers and prosecute companies or individuals found guilty of fraudulent acts.

## **I. CIVIL RIGHTS, LIBERTIES AND RESPONSIBILITIES**

It shall be our purpose to seek to preserve and broaden the civil liberties and rights of all the people. The demands of the Declaration of Independence and the safeguards guaranteed to the people by the Constitution and its Bill of Rights and subsequent amendments must be made a code of conduct for our nation.

We shall continue to seek as individuals and as an organization to remove every remaining vestige of discrimination in any government agency whenever and wherever it may arise.

We shall oppose those persons or forces which seek to abridge, abrogate, or eliminate any of our civil rights and liberties. We urge strong enforcement of the Voting Rights Act.

We denounce all actions and governments, which promote the welfare of multi-national corporations and holders of extreme wealth at the expense of the American people.

We strongly support tort reform.

## **J. PROPERTY RIGHTS**

The Fifth Amendment of the United States Constitution declares that government cannot seize property without just compensation. We urge Congress to define in law “a taking” as any action by the government which deprives citizens of use of their property or reduces the value of that property. We oppose further expansion of eminent domain for private industry and for private use.

## **K. NATIONAL ELECTIONS**

1. We support comprehensive campaign finance reform including:

- a) Presidential candidates should continue to receive matching federal funds for campaign expenses. Similar financial assistance should also be provided to candidates for the House and Senate.
- b) Contributions from individuals should be limited to \$1,000 per candidate. Contributions by each Political Action Committee (PAC) should be limited to \$5,000 per candidate.
- c) Caps should be instituted on total campaign spending.
- d) All types of campaign contributions should be fully reported.
- e) We support eventual shift to public financing and elimination of PACs.

2. All electronic voting machines shall have a paper record to verify the votes.

3. Having a complete and accurate vote count is more important than having a count deadline.

## **III. STATE ISSUES**

### **A. AGRICULTURE**

#### **1. State Department of Agriculture**

The department should be more than a regulatory agency.

a) We support the concept of an elected secretary of agriculture.

b) The South Dakota Department of Agriculture’s Division of Marketing should be adequately funded to enable it to:

- 1) Research, identify and develop markets for South Dakota agricultural products.
- 2) Encourage the continual tailoring of South Dakota agricultural production to both general and specific market demands.
- 3) Promote the processing of South Dakota products in South Dakota.
- 4) Conduct ongoing research on marketing, distribution and production and develop recommendations for new policies and institutional mechanisms.

- 5) We urge the Department of Agriculture to continue the voluntary Credit Counseling Service for economically hard-pressed family farmers and ranchers
- c) We support legislation to provide adequate funding for uniform inspection of moisture and protein measuring devices by the Department of Agriculture.
- d) Strong controls are needed to prevent and eradicate livestock and poultry diseases. Domesticated wild animals, birds, and dogs should be treated as livestock. We must communicate with the Animal Industry Board and the state veterinarian, in order to ensure affirmative action that will be beneficial to the livestock industry.
- e) We recommend that the South Dakota Department of Agriculture provide for poultry inspection as a part of the state meat inspection program
- f) We encourage the expansion of the South Dakota Pesticide Disposal Program as a way of preventing ground water contamination.
- g) We support a contract grower's bill of rights.
- h) We support the efforts of the small dairy industry maintaining profitability. We understand health measures but resist further consolidation and burdensome restrictions on raw milk sales from on farm production to the public as long as adequate labeling is provided.

## **2. Corporate and Non-resident Alien Farm Land Ownership**

We believe that continued ownership and control of U.S. agricultural land by family farmers and ranchers is vital to the moral and economic welfare of this nation. We strongly support constitutional restrictions on non-family farm or ranch corporate ownership of agricultural land and livestock. We urge our own leadership and that of other like-minded organizations to continue regional and national cooperation to enact or strengthen anti-corporate farm legislation.

We continue to support existing statutory restrictions that limit the ownership of agricultural land by individual, non-resident aliens to 160 acres.

## **3. Credit Mediation**

We support continuation of the Farm Credit Mediation Program. It has been demonstrated that this program reduces the number of farm bankruptcy filings and helps to alleviate tension between lenders and borrowers. We further express our support for Rural Renewal Coalition efforts to expand the mediation program to cover additional areas of conflict involving farmers, ranchers, government agencies and other entities. When one party asks for mediation all parties must participate.

Fees ought to be regularly reviewed and reduced if their impact would deny access to the program or jeopardize future federal funding.

## **4. State Check-off on Farm Commodities**

We will support research and promotion programs financed by deductions from the proceeds of sales by producers of agriculture commodities, if the following criteria are met:

- a) That disbursement of funds collected is controlled by boards of producers elected by the producers assessed and the operation of the program is controlled by those producer boards.
- b) That all collections be voluntary and at the point of sale.

## **5. Zoning and Land Use Planning**

We support a comprehensive land use policy that recognizes the objectives of land tenure, promotion of family farms, population distribution, stabilizing farm income and production, conservation of natural resources and providing land for public use.

We recognize that development of certain large-scale livestock confinement facilities and feed lots represent a legitimate concern for neighbors and their rural communities.

- a) Land use regulation should be left to local government except in situations that lead to multi-county or interstate problems.
- b) We encourage counties to enact comprehensive land use plans and zoning ordinances to control and regulate that potential expansion of large-scale livestock confinement facilities and cattle feed lots. We oppose any effort to replace county zoning laws with statewide zoning laws.
- c) Because of unstable and unsuitable soils in certain areas, we strongly urge a safe site be found to establish a hazardous waste disposal site.
- d) Any state legislation should recognize that agricultural land must be preserved for the future. Family farmers should be represented in all zoning deliberations.
- e) We urge the state of South Dakota to restore the shelter belt incentive program as a means of encouraging the planting and renovation of shelterbelts.

## **6. South Dakota Brand Board Laws**

The South Dakota livestock brand laws are administered by a state brand board, which is appointed by the governor

- a) Every member of the brand board must be the owner of a registered brand and elected from districts from which the board members and voters reside.
- b) We recommend that a detailed, audited report be submitted to the legislature on an annual basis.
- c) Anyone buying cattle should be given a reasonable length of time to rebrand purchased cattle.

## **7. Research**

We urge South Dakota State University to maintain research independent of bio-technology companies to allow unbiased research. We encourage all South Dakota colleges and universities to pursue research and grants that would help and enhance the farming industry.

## **8. Animal Industry Board**

Horse farms and companion pet breeders should be added to the jurisdiction of the South Dakota Animal Industry Board.

## **B. TAXATION**

### **1. Property Taxes**

- a) South Dakota's over-reliance on property taxes for funding primary and secondary education has placed an unfair burden on agriculture and contributed to the economic depression that confronts many rural communities.
- b) To achieve fairness and equality the assessments on agriculture land should also be based on the capability to produce, land use, terrain, climate, location, soil type, and actual use.
- c) We continue to support efforts to establish limitations in future property tax increases.
- d) We urge a full review of recent major reductions in valuations and assessments for centrally assessed property including that which is owned by utilities. These reductions have shifted

even greater property tax burden onto agricultural, other business and residential property. We urge the State Legislature to rewrite policy directing the 25 percent property tax reduction to South Dakotans most in need of property tax relief. Specifically, we suggest the establishment of a homestead exemption.

- e) We oppose any action to reinstitute the personal property tax.
- f) Federal and state government and Indian lands should be required to pay an amount in lieu of taxes equal to the amount of real estate taxes paid on similar private lands in each county.
- g) We oppose any effort to reduce the required percentage of voter approval in local bond issue elections.
- h) SDFU is opposed to frontage roadway assessment in rural areas.

## **2. Income Taxes**

- a) To relieve property taxes in South Dakota and to provide for a more equitable sharing of the costs of education, we favor state enactment of a graduated personal income tax and a corporate profits tax. A state income tax should be simple, have a low administrative cost, be based on net income from the federal income tax form, with revenues going to education and for real estate tax relief.
- b) We believe that personal and corporate income taxes ought to be a part of a balanced state tax structure. The goal of reform should be a structure wherein state and local tax revenues are raised approximately one-third from property taxes, one-third from sales taxes and one-third from income taxes.
- c) Taxation of cooperatives must be consistent with the Federal Internal Revenue Code.

## **3. Sales Taxes**

- a) We are opposed to the sales tax monthly remittance procedures presently in existence due to the extra burden that has been placed on small businesses.
- b) We favor legislation that will eliminate the state sales tax on food, agricultural machinery, and general farm repairs.
- c) The spread of the city sales tax has made rural people victims of taxation without representation. We regard the city sales tax as a regressive, unfair and unacceptable means of funding local property tax relief. We continue to oppose all city sales taxes unless purchases by non-resident, rural citizens can be exempted.
- d) We oppose any permissive legislation authorizing enactment of county sales taxes.
- e) We strongly oppose any expansion of state sales and use taxes.
- f) We oppose the use of any local sales tax to fund education.
- g) We ask that the tax advocate position in state government be taken away from the Department of Revenue and be placed under the Legislative Audit Branch.
- h) We support the reinstatement of sales tax exemptions for personal property sold at auction, newspaper sales and subscriptions, cattle semen, amateur sports officiating, veterinary services, state and county fair parking and the exchange of processed for raw agricultural products.
- i) Until we have equitable tax treatment for all retail businesses, we favor imposition of state sales taxes on Internet and catalog sales.

## **4. Wheel Tax**

We oppose any further increases in maximum allowed wheel tax.

## **5. Motor Vehicle Licensing**

We oppose an increase in motor vehicle license fees of vehicles over five years old.

## **6. Mineral Severance Taxes**

South Dakota's non-renewable natural resources are being severed from our state and lost forever. We firmly believe that those business firms engaged in this practice must adequately compensate our state for severed resources.

All mineral rights should be returned to the owner of the land in 10 years or when land is resold. All mineral rights should be retained by the surface owner. Mineral rights held by non-surface owners should be made subject to a mineral tax with revenues designated for purposes of property tax relief to the surface owner.

## **7. Motor Fuel Tax**

We continue our long-term support for an exemption from the state gas tax at the time of delivery for non-highway users. Until this objective can be accomplished, we urge that every effort be made to simplify forms so that farmers, ranchers, and other non-highway users are not discouraged from applying for refunds that are legitimately due them.

We recognize that a certain portion of gas tax revenue is directly attributable to boating. Expenditure of these revenues should be confined to the construction or enhancement of public facilities.

We oppose any legislation authorizing enactment of city gas taxes.

## **8. Transportation Tax**

South Dakota Farmers Union opposes any new increase in fuel tax for roads without an adequate amount of the proceeds going to counties and townships.

## **9. Contractor's Excise Tax**

We urge repeal of the Contractor's Excise Tax. South Dakota is currently the only state in the Union to impose this form of pyramiding taxation.

## **C. ECONOMIC POLICY**

### **1. Rural Economic Development**

One of the most positive forms of economic development for rural South Dakota communities would be adding value to agriculture production by family farmers.

- a) We support the South Dakota Rural Economic Development Authority.
- b) We believe that any program seriously proposing to boost adding value to grain and livestock production in South Dakota must receive interest rates that are at least comparable to those available to businesses through the Revolving Economic Development and Initiative (REDI) Fund. Interest rates of more than six percent are unacceptable.
- c) We support the expanded use of the REDI Fund by South Dakota family farmers and ranchers. These changes also recognize that rural people paid a disproportionate share of the one-cent sales tax increase.

We urge greater use of the value-added sub fund.

We support continued South Dakota funding for the Northern Crops Institute.

We recommend that revenues from state taxes on endo and ecto parasiticides be designated for deposit in a new fund for promotion of value-added enterprises in rural South Dakota.

- d) We pledge our cooperation and support for the legislative Rural Renewal Coalition.

- e) We support establishment of venture capital groups for producer owned businesses.
- f) We support continued statewide efforts to promote increase in state processing of agricultural products. These efforts should include cooperation with farmers, ranchers and their organizations in promoting and constructing cooperatively-owned processing plants in South Dakota.
- g) We support the establishment of Enterprise Communities and Empowerment Zones as a means of assisting development in economically disadvantaged rural areas. We continue to support the Beadle and Spink Enterprise Community (BASEC) and efforts of citizens in Day County and other regions of the state.
- h) We urge the appropriation of public and private funds for the establishment of an enterprise facilitation program. Facilitation programs should be able to apply and receive Rural Development funds.

## **2. Consumer Affairs**

We favor strengthening the South Dakota Division of Consumer Affairs through better funding and adequate staffing.

## **3. Worker's Compensation**

We believe that serious attention should be given to the proposal to require Worker's Compensation for hired farm workers and that any such law should provide for exemptions for short-term or seasonal farm workers.

## **D. COOPERATIVES**

1. We urge the appropriation of funds to staff a co-op division in the South Dakota Department of Agriculture capable of promoting cooperatives as required by law;
  - a) To promote cooperatives.
  - b) To provide expertise and advice in the establishment of new credit unions and cooperatives.
  - c) To provide expertise and resources in establishing cooperative goals and to provide information on local demographics for planning.
  - d) To act as an impartial advisor to financially troubled cooperatives.
2. We support the South Dakota Value-Added Agriculture Development Center and efforts to build and develop additional farmer-owned, value-added cooperatives in our state. We welcome the fact that more than a dozen other organizations and cooperatives have been willing to join with Farmers Union in providing support for this endeavor. We do, however, believe that many traditional cooperatives could do more in the way of assistance, experience and cooperation for the expansion of new value-added cooperatives.
3. We recommend that all cooperatives use the secret ballot on controversial issues and elections and prohibit employees from actively campaigning in any cooperative election.
4. We commend the governor for his proclamation designating October as Co-op Month.

## **E. TRANSPORTATION AND HIGHWAY SAFETY**

### **1. Railroads**

- a) We continue to support the State Rail Authority and efforts to preserve and rebuild our core rail system. The establishment of the Dakota, Minnesota and Eastern (DM&E) and Canadian Pacific Railroad (CPR) has been beneficial to agricultural producers. We further believe that

upgrading of DM&E track and facilities will bring along significant positive results for South Dakota agricultural shippers who have historically received the lowest prices of any region in the United States. We understand that issues of eminent domain are significant for landowners whose property may be crossed by newly constructed rail lines. Every effort should be made to adequately resolve these issues. However, it is important that the welfare of the entire state receive equal consideration.

- b) In an effort to preserve branch lines, local transportation districts should receive all possible assistance from state and federal governments. We also support the concept of cooperative or other local ownership of railroad lines.
- c) The state of South Dakota should consult with surrounding states so that efforts to restore or preserve rail service can be coordinated wherever possible.
- d) The state of South Dakota should move with extreme caution in disposing of track and right-of-way acquired from the Milwaukee Railroad. Loss of these lines would make it very difficult to reestablish rail service should that action be made necessary by future circumstances.
- e) Currently grain elevators and other businesses located on the state-owned railroad property and depending on rail service for their business are required to repair tracks on sidings at their own expenses, even though they have no equity or ownership in the tracks or right-of-way property. We support changes in state law that would allow businesses using the tracks to reimburse the state for repairs over a reasonable period of time.
- f) Shippers captive to a single rail line should be protected from excessive rates and healthy competition among railroads should be encouraged.
- g) We urge the South Dakota State Legislature to pass legislation allowing adjoining landowners to initiate a process of abandoned railroad right-of-way to convert to adjoining land.
- h) Landowners adjoining abandoned railroad lines should have first right of refusal to purchase the property.

## **2. Highway and Farm Safety**

- a) We urge continued cooperation to promote highway safety in order to reduce the present death toll from accidents.
- b) All State highway intersections should have turning lanes installed for the safety of motorists.
- c) Grain combines often must move on state highways on weekends during peak harvest season and should be granted this privilege where necessary.
- d) We urge that the South Dakota Department of Transportation make a greater effort to ensure the safety of rural South Dakota to have well lit state highway intersections.

## **3. Highways**

An adequate highway system, including farm-to-market roads, is essential to the economic health of rural South Dakota.

- a) We are opposed to any change in federal highway funding which would eliminate aid for secondary roads and bridge repair. Such a change would be grossly unfair to rural states like South Dakota which have a disproportionately large amount of secondary highway mileage.
- b) All efforts should be made to reduce unnecessary damage to South Dakota highways and secondary roads. However, we strongly oppose any effort to allow law enforcement officials to obtain elevator weight tickets, without a search warrant and to retroactively charge truckers with weight violations. Any legislation to alter load limits or legal trailer length should include provision to allow current operators a sufficient grace period to comply with the law.
- c) We urge that all state purchased vehicles and equipment be manufactured in the United States.

- d) We recommend that two cents of the state gas tax should be returned to counties and townships.

## **F. PROPERTY RIGHTS**

- a) Anyone trespassing on private land should be liable for his or her own action.
- b) No person should be allowed on private property using water as access without the landowner's permission.
- c) Any state entity that controls public waters that cause damage to private property should be held responsible for returning the property to its original form.

## **G. ENERGY**

### **1. Ethanol and Bio-Diesel**

- a) We support continuation of the present combination of state gas tax exemption and producer incentives to encourage further development of the ethanol industry in South Dakota. We believe that producer incentives ought to be made available to all those engaged in ethanol production in South Dakota. We deplore the attack on the ethanol producer incentive program led and/or inspired by major oil companies, highway contractors and trucking interests.
- b) We oppose any effort to impose a state tax on corn to fund ethanol producer incentive payments.
- c) We urge all consumers to make a greater use of higher blends of ethanol and bio-diesel in their motor vehicles when practical.
- d) We commend the American Coalition for Ethanol, Growth Energy, Alternative Fuels Institute, Veterans of Foreign Wars, and South Dakota Farmers Union for their educational and promotional efforts on behalf of ethanol.
- e) We urge the governor to require all state vehicles use E30 (40% E85) or support legislation that requires all state vehicles use E30 (40% E85).
- f) We encourage the promotion and use of farmer owned and branded blender pumps in South Dakota. Farmers Union will work with cooperatives and others to assure success through South Dakota's cooperative fuel retailers.

### **2. Wind and Alternative Energy**

- a) We support the development and transmission of electrical power to better serve the farmers and ranchers of this country.
- b) We support the development of wind and other alternative energy sources. We urge farmers, ranchers and other landowners to consider the establishment of wind energy cooperatives and/or landowner associations to represent their own interests during development process. Provisions of wind energy leases should be open for public review. We also urge landowner-friendly development of the electrical transmission facilities.
- c) We urge the electric companies to purchase wind energy from the individuals who set up wind turbines on their own property or coop to build wind turbines, for the same price that they pay for energy from other sources.
- d) We support extending benefits to community wind projects and cooperative investment projects equal to tax credits now offered to wind projects.
- e) We support the development of minimum criteria of regulating the development of wind energy.

## **H. SOCIAL POLICY**

### **1. Education**

The South Dakota Farmers Union has consistently supported our educational system. We strongly recommend the continued support of these institutions of learning in their endeavors to enhance the cultural and economic life of the people of our state and nation.

- a) We recommend that the percentage of state funding to elementary and secondary public schools general funds be increased, with the formula weighted to benefit small schools.
- b) We recommend that the “scarcity factor” and the “declining enrollment factor” be given adequate consideration in determining the level of state aid to individual school districts. These are important factors for rural districts where per pupil busing costs are substantially higher.
- c) We recommend that elementary and secondary schools periodically evaluate their position on fundamental subjects to keep a strong emphasis on basic education. There should be a limit to the classroom time lost to extracurricular activities by students and teachers.
- d) We oppose any cuts of federal funds of the Special Ed Program for the Disabled for the state of South Dakota.
- e) We fully support agriculture education, Family and Consumer Science (FACS) and trade and industrial training programs, and recognize that the National FFA organization is an integral part of agriculture education.
- f) We recommend that cooperative education, farm economics and the importance of the family farm to the economy be included as a part of the curriculum in any free enterprise course in public schools.
- g) We recommend that the State Legislature and the Board of Regents, as well as the academic faculty and administrators direct, divert, and prioritize state legislative appropriations in research funding to our state land grant institutions toward the implementation of research, & development of organic farming and alternative uses of our crops.
- h) We urge South Dakota State University to place greater emphasis on increasing farm and ranch profitability through improved farm management and marketing. We also urge emphasis on courses pertaining to rural life studies which emphasize the contributions made by family farmers and ranchers.
- i) We support legislation and utilization of the “Ag in the Classroom” program in elementary and secondary schools. However, educational materials must be carefully selected and should exclude any literature promoting specific organizations or political points of view.
- j) We encourage that University of South Dakota (USD) graduate doctors stay and practice medicine for ten years in rural South Dakota in return for the payment of their entire tuition by the state.
- k) We urge the State Board of Education to restore funding support for extended service contracts for agriculture education instructors. Loss of this funding greatly reduces the effectiveness of agriculture education instruction at South Dakota high schools and reduces the educational opportunity of students who may not have access to project advice of agriculture education instructors during the key summer months.
- l) We support reinstatement of adult farm management courses in South Dakota.
- m) We oppose the construction of major school buildings without the approval by vote of the people of the school district.
- n) We support South Dakota Literacy Councils and their accomplishments.
- o) Because of its negative impact on South Dakota we oppose any unfunded mandates regarding education such as The No Child Left Behind Act.

- p) We support additional state funding to schools that offer career and technical education classes such as agriculture education, family and consumer sciences, and trade and industrial training programs.

## **2. Health Care System**

- a) We support the Single Payer System.
- b) We support hospice care for the terminally ill.
- c) We continue to support the “division of assets” concept.
- d) We support larger reimbursements from our state for Medicaid residents of long term care facilities.
- e) We support assisted living and minimum care homes for those people who do not require the care of nursing homes.
- f) It has been proven that preventative health care can reduce the overall cost of the healthcare system. Insurers should be required to cover the full cost of regular check-ups.
- g) We support the inclusion of reasonable chiropractic care in any state healthcare plan.
- h) We support an expansion of a risk pool for uninsurable South Dakotans. We view this as a necessary step toward enactment of a comprehensive, universal state healthcare reform program.

## **3. Gambling**

Because gambling is legal in South Dakota we support the following guidelines.

- a) We oppose further increases in bet limits or the number of slot machines or video lottery machines allowed in each establishment.
- b) The state share of gambling revenue should be increased and used for property tax relief only.
- c) We advocate an “off the top” percentage from state and federally sanctioned gambling. These funds should be earmarked for law enforcement and social problems attributed to the gambling industry.
- d) All tribal gambling casinos must be within the borders of a reservation.
- e) We encourage the state of South Dakota to conduct a study to determine the social costs of gambling in our state.

## **4. Drug Abuse**

- a) We demand stricter penalties for those convicted of selling “hard” and “dangerous” drugs. [e.g. 15-year minimum sentences with no parole for 10 years].
- b) We advocate further education on the problem of drug abuse.
- c) Drug users desiring to overcome their drug problems should be able to obtain help from proper organizations without incurring police records.

## **5. Senior Citizens**

We advocate the continuation and expansion of Experience Works service, Visiting Neighbor, Mini-Bus, Senior Nutrition, Meals-on-Wheels and other programs to enable senior citizens to retain their independence.

## **6. South Dakota Public Broadcasting**

Reductions in federal and state funding threaten the survival of quality radio and television programming that we have come to expect from South Dakota Public Broadcasting. We support efforts to restore funding for these educational programs. We particularly support continuation of agriculturally oriented programming.

## **I. ENVIRONMENT**

### **1. Waste Disposal**

We recognize that disposal of hazardous chemical wastes poses a serious threat to health and environment in many areas of the United States. We strongly oppose the establishment of a disposal site for hazardous chemical wastes in South Dakota.

We encourage the development of hazardous waste disposal methods, other than landfills, with stricter enforcement of laws on transporting and handling hazardous waste. Our ground water must be safeguarded from contamination.

We support the waste pesticide collection and pesticide container recycling measures approved by the 1992 South Dakota Legislature. These programs, when fully implemented, will help to remove a major threat to our rural environment.

We support the establishment of a clean-up fund for large-scale livestock facilities. Revenues should be collected annually from operators of confinements with 1,000 animal units or more and deposited into a fund to provide for clean-up of hazardous wastes attributable to such facilities.

We oppose allowing South Dakota to become a national center for solid waste disposal. We support development of a program to encourage cooperatives and governmental bodies to organize local collection points for material that can be recycled.

Rural citizens here and in other states are voicing increasing concern about the safety of waste disposal procedures at large-scale, livestock facilities—especially hog confinement and dairy complexes. Frequent reports of spills and leaks of millions of gallons of manure into streams and aquifers have made many rural citizens reluctant to support these kinds of developments in their communities. We believe these concerns should be adequately answered before it is too late for family farm hog producers and their neighbors. We encourage the development and use of new technologies in waste disposal to minimize risk to the environment and the displacement of valuable farm land.

We support the implementation of anaerobic digesters at facilities which provide green energy and will provide more efficient fertilizer.

### **2. Mining**

We are categorically opposed to the mining of uranium in South Dakota. Not only is there a great health risk in the form of potentially hazardous exposure to radioactive mining dust, but there is also a considerable additional environmental impact in land devastated and water consumed or polluted.

We support the adoption and enforcement of a comprehensive strip-mining bill. Our goal must be to ensure the best use of land and to return mined land to its original use.

We believe that the beauty of the Black Hills constitutes a natural treasure that must be protected and preserved for the enjoyment of future generations. We, therefore, oppose strip mining of gold and the utilization of mining methods which jeopardize the environment.

Landowners with severed mineral rights need to be justly compensated and protected.

### **3. Pipelines**

**a)** We recommend that appropriate legislation be enacted to ensure pipeline safety and to protect against environmentally damaging leaks.

**b)** We support a tax on oil pipelines for South Dakota

#### **4. Water Conservancy and Use**

- a) We agree with the objectives in the Water User District law by which South Dakota will keep priority rights on water within its boundaries.
- b) We support South Dakota Rural Water systems and full congressional authorization and funding.
- c) We encourage the use of Missouri River water for: [1] domestic and municipal consumption; [2] hydroelectric power; [3] industrial consumption; [4] irrigation, [5] wildlife and recreation; and [6] navigation.
- d) The state of South Dakota should have a Rural Water Resource

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pment program wherein:

- 1)The state would provide increased financial assistance for the development of rural water systems. The state would also expand research and technical assistance for developing these systems on an increased cooperative basis to lower the cost. We support establishing a funding program for rural water systems.
- 2)The state should expand research into adapting specialty crops to South Dakota. Several new crops may be possible with further development of irrigation and more adequate water supplies.
- 3)We oppose any state tax on water use and/or water permits.
- 4)We urge repeal of state statutes requiring fees for water rights permit on land developed for water spreading to ensure that its population will always have safe clean water for human and livestock use.
- 5)There should be more stringent inspection of refuse and runoff from cities and towns, as well as from manufacturing and processing plants.

#### **5. Game Management, Predator Control and Wildlife Habitat**

- a) The Department of Game, Fish and Parks (GF&P) should be more accountable to the State Legislature. We support placing the GF&P budget under the authority of the Appropriations Committee.
- b) All season and limit restrictions should be removed on jackrabbits and cottontails.
- c) We oppose the acquisition of productive farmland to extend wildlife habitat. The arbitrary designation of farm units for wildlife mitigation without negotiation with a willing farm operator is disruptive and destructive to the efficiency of family farm management. Land to extend wildlife habitat should be acquired only by short-term lease or rental contract.
- d) We support county commissioners having the final decision on the sale of property to government entities.
- e) We support state statutes requiring landowner permission prior to hunting on private property.
- f) We encourage the development of a system to provide a percentage of hunting and fishing license revenues to counties and townships.
- g) The Department of Game, Fish and Parks should be required to pay taxes on their lake access land at the same rate as adjoining agricultural land. All state parklands should be thoroughly investigated as to use or non-use.
- h) The Department of Game, Fish and Parks should be authorized to utilize funds earmarked for land acquisition to make necessary repairs on dams located on state-owned or leased property.
- i) We support legislation to require the Department of Game, Fish and Parks to offer a free deer and antelope license to each resident landowner with a production unit of 160 acres or more. We support the idea of a transferable landowner's deer license. The number of licenses would be limited as deemed necessary by the Game, Fish and Parks.

- j) The authority to set license fees should be returned to the state legislature.
- k) We oppose any further increases in hunting and fishing license fees. Hunters on preserves should be charged the same out-of-state license fees assessed against other out-of-state hunters.
- l) We urge the Legislature to adopt a state bounty on all predators, except endangered species.
- m) We support any legislation for the transfer of the Animal Damage Control Department to the South Dakota Department of Agriculture.
- n) We favor enactment of legislation based on the Wisconsin model prohibiting harassment of hunters by animal rights activists.
- o) Road hunting should not be permitted without adjoining landowner's permission.
- p) We request that the South Dakota Animal Damage Control implement a written permission authorization form for Predator Control with state permitted airplanes. This permit would be valid for 3 years.
- q) We urge the South Dakota Department of Game, Fish and Parks to formulate and implement a plan for the management of the Black-Tailed Prairie Dog on state and federal land.
- r) We urge limiting the ability for a game warden to enter private land to inspect licenses while hunting without landowner's permission unless noticeable violations are occurring.
- s) We urge Game, Fish and Parks to manage wildlife to reduce depredation and reimburse landowners for depredation.

## **6. Weed and Insect Control**

- a) We urge members to continue to cooperate with township, county and state weed control programs. We also support stricter enforcement of present law and the establishment of an expanded educational program at the county level under the county agent's direction.
- b) We urge the legislature to increase funding for insect control and we urge the state Department of Agriculture to take advantage of federal funds that are available.
- c) We are opposed to legislation to combine weed and pest control boards with those controlling predators.
- d) The Department of Game, Fish and Parks should be required to control noxious weeds on lands they own or control.

## **7. Animal Welfare**

- a) We support continued cooperation with other agricultural organizations to combat misinformation and support good animal husbandry practices.
- b) We support all efforts to refute anti-meat campaigns. Farmers Union members are urged to write letters and contact the media with accurate information on the use and benefits of all meats.
- c) We recommend that the state Farmers Union organization assign a person to monitor the activities of animal rights advocates.
- d) We oppose the extremist ideologies and agendas of organizations like People for the Ethical Treatment of Animals (PETA).

## **J. PUBLIC UTILITIES COMMISSION**

### **1. P.U.C. Organization**

- a) We believe that the South Dakota Public Utilities Commission should be provided with adequate personnel and funding to ensure proper protection of the interests of consumers.
- b) The regulatory powers of the Public Utilities Commission should not be tampered with unless it can be clearly demonstrated that such action is in the best interests of the people of South Dakota.

- c) We strongly support continued regulatory oversight of the telecommunications industry by the Public Utilities Commission.
- d) We support designating a portion of all transmission lines in South Dakota for wind energy.

## **2. Bonding and Bankruptcy**

- a) The cost of elevator bonding has created recurring problems for farmers and their cooperatives during recent years. We urge continued monitoring of bonding costs and review of possible alternatives. We support a study of bonding requirements or other producer protection methods be undertaken by the Public Utilities Commission because of growing concerns that some elevators are not bonded sufficiently to protect their customers. The minimum bond on stored grain should be at least \$500,000 and a new cash sale bond of \$50,000 minimum should be established.
- b) We support the validity of a farmer's warehouse receipt as proof of his ownership of stored grain in an elevator. We also support legislation prohibiting seizure of said grain by elevator creditors upon foreclosure of elevators.

## **3. Telecommunication Policy**

- a) The deregulation of telecommunications services should be approached with extreme care in order to protect the interests of the consuming public. No telecommunications service should be deregulated without adequate proof that sufficient competition exists. Every effort must be made to ensure that the goal of universal telecommunications service is jeopardized and that rural and urban consumers are not subjected to prohibitive rate increases.
- b) We urge the Public Utilities Commission to order that all telephone exchanges in South Dakota discontinue zone rate charges in favor of an equal rate for all rural customers.
- c) To serve the best interest of rural communities of South Dakota we encourage investment in infrastructure to improve telecommunication delivery systems in our state.

## **K. SCHOOL AND PUBLIC LANDS**

Rental fees for lease of state-owned or other public lands for grazing or other agricultural purposes must be consistent with rental fees on private lands in the same area and of equal productivity. When state-owned land is sold, the appraised price per acre must also be consistent with the value of private lands in the same locality and of equal access.

## **L. REFORM**

### **1. Governmental Reform**

- a) We support establishment of single member house districts statewide.
- b) We support legislation requiring complete disclosure of income and sources of income by legislators and other elected public officials.
- c) We support legislation requiring all registered lobbyists to fully report all fees and compensation which they receive for their legislative activity.
- d) We urge that no unnecessary restrictions be placed on voter registration or right of citizens to vote by absentee ballot.
- e) We are opposed to changing the legislature to a unicameral or single house body.
- f) We support legislation to elect state senators for a four-year term.
- g) We oppose any actions to increase the number of signatures required to initiate or refer a law.
- h) Recent rule changes regarding circulation and signing of initiative, referendum and candidate petitions complicate the process and discourage participation by citizens. We urge repeal of

rules requiring anything more than printing of name, signature, address or box number and date of signing.

- i) We support some form of compensation to legislators performing legislative related duties on weekends and when the legislature is not actually in session.
- j) We urge ethics legislation at the state level that would result in more in depth investigation of where campaign funds originate and how they are used.
- k) We recommend legislation to place reasonable limits on campaign spending and the length of campaigns. Elimination of soft money contributions should be a top priority.
- l) We favor legislation to require full disclosure of federal tax returns by candidates for state constitutional offices and the state legislature at least two months before the general election.
- m) We support whatever constitutional or other action is necessary to restore the right of citizens to initiate or refer measures that include state revenue.
- n) We support repeal of the so-called South Dakota 'gag law'. Under the guise of preserving confidentiality, this legislation has allowed government to conceal the public's business from the public.
- o) All electronic voting machines shall have a paper record to verify the votes.

## **2. Indian Reservation Jurisdiction**

We urge a speedy settlement of the question of Indian Reservation jurisdiction. That settlement must be consistent with the principle of equal protection under the law.

## **3. Merging Constitutional Offices**

We oppose any merger of constitutional offices.

## **4. State Fair**

We support the South Dakota State Fair at Huron. We support legislation that would allow the State Fair to keep all sales tax revenues collected on the fairgrounds. We need research to enhance the State Fair. We ask that the Legislature reinstate the voting power of the State Fair commission. We support state funding as a line item in the state budget.

# **IV. ORGANIZATIONAL RESOLUTIONS**

## **A. Membership Resolution**

A large membership of family farmers and ranchers is the base of a strong, respected and influential South Dakota Farmers Union. Among the benefits of membership in the Farmers Union are:

- a) The right to full participation in activities and policy-making decisions and the right to election as an officer or delegate to state and national conventions.
- b) Participation in the Farmers Union youth and other educational activities and conferences.
- c) A subscription to the South Dakota Union Farmer, the official publication of the state organization.
- d) Coverage under the Farmers Union Group Accidental Death Insurance policy which includes the members, spouse and eligible children at NO EXTRA COST.
- e) We encourage all Farmers Union Insurance policy holders to become members and for members to buy Farmers Union Insurance.
- f) Eligibility for membership in the National Motor Club or Traveler's Motor Club
- g) Membership incentive programs for transportation and lodging to the National Farmers Union (NFU) Convention. We encourage county organizations to actively seek associate members (non-voting).

All local, county and district Farmers Union organizations should have a full set of active action officials. Active officers provide greater membership participation and education. They should establish good public relations with local newspapers and coordinate membership drives and turn in financial reports at the end of the fiscal year.

We encourage continued joint efforts with all farm organizations. South Dakota Farmers Union will provide membership incentive programs for members to earn transportation and lodging to the National Farmers Union conventions.

South Dakota Farmers Union will furnish transportation for one director or manager of a cooperative with a membership dues check off, to attend the National Farmers Union Convention. It is requested that the participant make a report at the cooperative's annual meeting.

We urge the South Dakota Farmers Union to make greater use of county and district legislative and cooperative directors. Candidates for all officer positions, delegates and alternate delegates shall introduce themselves from the rostrum of the state convention before the election.

We urge that all members wear identification badges representative of South Dakota Farmers Union while attending functions where Farmers Union is involved.

We urge our board of directors to schedule an annual Farmers Union state picnic. We encourage continued joint efforts to inform Farmers Union members of the benefits of the NFO marketing program.

We urge members to inform the State Office of their email addresses.

We urge members and interested parties to utilize the South Dakota Farmers Union and the National Farmers Union websites and the websites of its affiliated organizations such as the South Dakota Farmers Union Foundation and the South Dakota Farmers Union Service Association (Insurance).

## **B. Education Resolution**

The education of Farmers Union members is an ongoing project. We recommend that this educational program include seminars for our young adults and stress the importance of district education directors. Education directors must help to maintain the quality and philosophy of the Farmers Union organization. Major emphasis should also be placed on a comprehensive adult education program for Farmers Union families to include coordination with vocational agricultural instructors, cooperative leaders and agriculturally oriented institutions of higher learning.

We advocate youth classes in every Farmers Union local and county. We recognize the value of young Farmers Union members participating in and working with the entire Farmers Union organization. The participation of all must be a goal of the youth program.

We recommend that the Education Department continue the awards for completion of activities approved by the Education Council and stated in the handbook.

We recommend that one or more state Senior Youth Camps be held each year. We urge that every county and district Farmers Union conduct or participate in a youth camp to acquaint more young people with Farmers Union work.

We recommend that a Youth Advisory Council be elected at each state Senior Youth Camp. We endorse the various approved scholarship programs within the Farmers Union for college education, and vocational training.

We recommend that the South Dakota Farmers Union Education Department coordinate incentive tours for Farmers Union youth.

We support the South Dakota Ag in the Classroom program and encourage Farmers Union education leaders to become involved in farm safety training programs.

We support the creation of collegiate Farmers Union groups. We also encourage collegiate Farmers Union groups to urge the universities that they attend to offer classes and/or majors pertaining to cooperatives, rural life, or farm management and marketing as stated in state issues H subsection K.

### **C. Cooperative Resolution**

Farmer and patron-owned cooperatives play an important role as a stabilizing force in our economic life and in the promotion of democratic process through their emphasis on the Rochdale Cooperative Principles.

Every member of the Farmers Union is strongly urged to buy every possible supply, sell all products and buy all their insurances and other services from Farmers Union affiliated businesses, organizations and cooperatives (e.g. cable TV.).

Farmers Union local, county and district organizations need to establish and maintain strong communications, participation, patronage, and membership with local cooperatives' boards of directors, managers, and employees; and local and district Farmers Union Insurance personnel.

The South Dakota Farmers Union should continue to take a prominent position of leadership in bringing the co-op story to the public.

Farmers Union affiliated cooperatives and other farmer-owned cooperatives are encouraged to pay the full five [5%] per cent educational funds to Farmers Union.

South Dakota Farmers Union's contributions toward strengthening the economic position of all of agriculture are enhanced by the support of farmer cooperatives through membership check-offs.

South Dakota Farmers Union urges CHS, Inc., cooperatives to aggressively seek ways to keep locally owned co-ops open to serve the farmer patron.

### **D. Legislative Resolution**

Effective legislative activity is an essential part of the overall Farmers Union effort to preserve and strengthen our family farm and ranch system. We urge all Farmers Union members to become active participants in legislative activity at the national, state and county levels.

Farmers Union organizations and members are strongly encouraged to take part in the Rural Lobbyist Program at the state level during legislative session.

The South Dakota Farmers Union Rural Lobbyist is a valuable tool when fully utilized by rural lobbyists.

We support the continuation of the Farmers Union Washington Fly-In lobbying efforts conducted on behalf of family farmers and ranchers. We ask that our national and state organizations continue to publish voting records of members of Congress and our State Legislature.

All Farmers Union officers and members are encouraged to subscribe to and read the National Farmers Union NEWS.

### **E. South Dakota Farmers Union Foundation**

We urge all members of South Dakota Farmers Union to support the foundation, a non-profit organization raising funds for educating young minds, building new leadership and creating new opportunities for economic growth in rural South Dakota.

**SPECIAL ORDERS OF BUSINESS:**

**SPECIAL ORDER OF BUSINESS I: BEEF CHECK OFF**

WHEREAS, certain infractions of the Beef Promotion and Check Off Act have been violated and funds have been misused; and

WHEREAS, an audit of 1% of the beef check off revealed misuse of funds, and

WHEREAS, an entire audit of the 14 year check off is needed to find further infractions, and

WHEREAS, certain lobbying organization employees used beef check off funds for personal use, and

WHEREAS, the National Cattlemen's Beef Association's (NCBA) governance task force recommended further consolidation of power over the mandatory beef check off, and

WHEREAS, the prime contractor of the beef check off uses funds to lobby against the producers who pay the check off, therefore, be it

RESOLVED South Dakota Farmers Union calls for complete separation between the beef check off and the NCBA.

## **SPECIAL ORDER OF BUSINESS II: ECONOMIC DEVELOPMENT**

Considering that rural economic development is a priority for the counties, municipalities and other private and nonprofit entities of rural South Dakota; and

Having Seen a steady decline of entrepreneurship, new business start-ups and existing business expansion in the rural areas of our great state; and

Recognizing the need for significant private-business incentives in said counties and municipalities; and

Recognizing that without said incentives, small businesses expansion will continue to decline; and

Recognizing the fact that any increase in business expansion or growth will ultimately strengthen our rural economy, expand the tax base, and add value and increased employment opportunities to the rural South Dakota area

The South Dakota Farmers Union Resolves to Support:

1. Eliminating or refunding the South Dakota contractor's exise tax to new and existing business organizations that build new structures and create employment opportunities in the economically deprived area of South Dakota. Economically deprived areas are defined as South Dakota counties with a population decline for four of the last five consecutive years or have an existing population that has at least 15% of its population below the 150% of the poverty level.
2. A rebate of 50% of sales taxes on new building construction or structures over a period of five years to businesses that meet criteria.

### **SPECIAL ORDER OF BUSINESS III: TRAPPING RECIPROCITY**

WHEREAS, the trapping in South Dakota is important to preserving a balance of population in our wildlife, and

WHEREAS, certain wildlife poses a threat to private property and industry, and

WHEREAS, South Dakota is in need of more trappers to control wildlife and protect property, therefore, be it

RESOLVED, South Dakota Farmers Union supports trapping reciprocity between South Dakota and any other states.

## **SPECIAL ORDER OF BUSINESS IV: DELISTING IONOPHORES AS ANTIBIOTICS**

WHEREAS, Ionophores are currently labeled and considered an antibiotic, and

WHEREAS, Ionophores are utilized and work in a different way than antibiotics, and

WHEREAS, antibiotics have been the focus of recent food safety concerns, and

WHEREAS, the feeding of antibiotics continually has specific intent which is different than that of Ionophores; and

WHEREAS, specific programs call for the use of Ionophores in lieu of antibiotics, and

WHEREAS, the consumer reports address both antibiotics and Ionophores as the same thing, therefore, be it

RESOLVED, South Dakota Farmers Union calls on the Food and Drug Administration and the U.S. Department of Agriculture to classify Ionophores separately from antibiotics and consider ionophores exempt from all antibiotic legislation aimed at addressing antibiotic usage; and be it

FURTHER RESOLVED that South Dakota Farmers Union calls for ionophores to be reported as feed additives.

## **SPECIAL ORDER OF BUSINESS V: EDUCATION FUNDING**

WHEREAS, Governor Dugaard has proposed 10% cuts to the education budget; and

WHEREAS, the opt out option does not solve the education funding problem; and

WHEREAS, property owners are who the burden falls to for covering costs and an opt out vote would be unjustified; and

WHEREAS, we are opposed to increasing the sales tax as it is regressive and unfair; therefore, be it

RESOLVED we urge the state of South Dakota to look at new revenue streams such as a corporate income tax to aid our school funding.