

# Summary of SDRRA Legislative Positions

The following pages contain an overview of the established positions of the South Dakota Retailers Association. These established policies will remain in effect unless changed by a vote of the Board of Directors.

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GENERAL DESCRIPTION	SDRA POSITION	CATEGORY TITLE -AND- DESCRIPTION OF ISSUE
<b>ALCOHOL</b>		
<b>Bed Board &amp; Booze Tax</b>	Evaluate as specific bill is introduced	Legislation may be introduced to allow local governments the option of imposing an additional penny on the so-called Bed, Board and Booze Tax, to use for tourism promotion.
<b>Bounty program</b>	Oppose	Establishment of a "bounty" or reward program for any person who provides information leading to the arrest and conviction of any person who sells or distributes alcohol to minors.
<b>Cash on delivery</b>	Support	Repeal of the rule requiring retailers to pay cash for delivery of malt beverages.
<b>Dram shop</b>	Oppose	Repealing or weakening the dram shop law, which provides civil liability protection for alcohol licensees who sell alcoholic beverages to intoxicated or underage customers.
<b>Drinking age</b>	Evaluate as specific bill is introduced	Legislation may be introduced to lower the legal age to purchase or consumer alcohol in South Dakota. Currently, the legal age is 21 to purchase or consume any alcoholic beverage.
<b>Holidays</b>	Support	Legislation clarifying which licensees can and cannot sell alcoholic beverages on Memorial Day and Christmas Day.
<b>License limit</b>	Support	Raising the limit on the number of off-sale alcohol licenses which may be owned statewide by any individual, partnership or corporation.
<b>Local control</b>	Neutral	Transferring the issuance and cost of alcohol licenses from the state to local control by municipalities and counties.
<b>Shipping</b>	Oppose	Allowing individuals to have wine or other alcoholic beverages shipped directly to them from out-of-state.
<b>Tax increase</b>	Oppose	Increasing the tax on alcoholic beverages at either the retail or wholesale level to fund law enforcement or county jails.
<b>BAD CHECKS</b>		
<b>Criminal penalties</b>	Oppose	Repeal of criminal penalties for writers of bad checks.
<b>Time allowed for restitution</b>	Support	Legislation that would give retailers the ability within the statute to shorten the amount of time that an offender must be given to make restitution on a bad check before prosecuting to 15 days but not restrict using the longer period of 30 days if they choose to.
<b>Prosecution</b>	Support	Making it easier to prosecute writers of bad checks.
<b>Diversion programs</b>	Support	Allowing States Attorneys to establish a diversion program for writers of bad checks, through which States Attorneys are given compensation for each bad check writer they prosecute.

<b>GENERAL DESCRIPTION</b>	<b>SDRA POSITION</b>	<b>CATEGORY TITLE -AND- DESCRIPTION OF ISSUE</b>
<b>Intent to defraud</b>	Support	Repeal of the "intent to defraud" phrase in the insufficient funds check law. ("Any person... who... with intent to defraud, passes a check drawn on a financial institution knowing at the time of such passing that there are not sufficient funds in the account on which the check was drawn... is guilty of theft by insufficient funds check.")
<b>Deposits</b>	Oppose	<b>BOTTLE BILL</b> Imposition of a mandatory deposit on bottles, cans, or other containers.
<b>Enforcement of</b>	Oppose	<b>COUNTRY OF ORIGIN LABELING (COOL)</b> Enforcement of the existing South Dakota Country of Origin Labeling Law.
<b>School start date</b>	Support	<b>EDUCATION</b> Legislation to require that public schools begin the regular school term after Labor Day.
<b>Deregulation existing state law</b>	Neutral	<b>ELECTRICITY</b> On deregulation of the sale of electricity
<b>Time off for children's activities</b>	Oppose	<b>EMPLOYER MANDATES</b>  Requiring employers to provide time off for parents to attend their children's school activities.  Prohibiting employers from penalizing employees if they miss work during times when a state or local law enforcement agency has publicly recommended no nonessential travel due to severe weather or road conditions.  Requiring employers to provide significant advance notice before mass layoffs or a plant shutdown, and to mandate employers to provide certain benefits in conjunction with shutdowns.
<b>Absence due to severe weather</b>	Oppose	
<b>Layoffs/shutdowns</b>	Oppose	
<b>Below cost sales</b>	Neutral	<b>FUEL</b> Legislation prohibiting sales of motor fuel below cost.
<b>Ethanol contributions</b>	Oppose	Statewide mandate on the use of ethanol.

GENERAL DESCRIPTION	SDRA POSITION	CATEGORY TITLE -AND- DESCRIPTION OF ISSUE
<b>GAMING: LOTTERY / VIDEO LOTTERY</b>		
Repeal of video lottery	Neutral	Repeal of the video lottery - unless it means increasing the state sales tax to replace revenue lost due to the repeal.
Dispensing of lottery tickets	No action	SDRA has been asked to consider seeking legislation or a rule change to allow automated dispensing of lottery tickets. No action was taken by the Board, but the consensus was that the Lottery Commission should be encouraged to lighten the load for retailers.
<b>GIFT CERTIFICATES / GIFT CARDS</b>		
Expiration dates	Oppose	Legislation to prohibit expiration dates on gift cards and gift certificates.
Dormancy fees	Oppose	Legislation to prohibit maintenance or dormancy fees on gift cards.
<b>GOVERNMENT COMPETITION WITH PRIVATE ENTERPRISE</b>		
Restricting competition	Support	Limiting the ability of state and local government to compete with private enterprise.
Prison industries	Support	Restricting the state from using prison labor to compete against private enterprise.
Prison industries	Support	Allowing the retail business community to have a voice through the Corrections Commission when the state considers using prison labor to compete against private enterprise.
<b>HEALTH INSURANCE</b>		
Employer provided coverage	Oppose	Requiring employers to provide health insurance coverage for employees.
Mandated coverages	Oppose	Requiring insurance carriers to cover additional specific conditions or treatments.
Managed care	Oppose	Legislation aimed at reducing the effectiveness of or eliminating managed care programs.
Zaniya	Evaluate as specific bill is introduced	SDRA's Legislative Committee is authorized to review any legislation that may be introduced resulting from recommendations of the Zaniya Health Care Task Force, and determine the position to be taken by SDRA.

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<b>INCOME TAX</b>		
Corporate income tax	Oppose	Imposition of a state corporate income tax.
Personal income tax	Oppose	Imposition of a state personal income tax.
<b>ONLINE REVERSE AUCTIONS</b>		
Local government	Neutral	Permitting online reverse auctions for local governments.
<b>PCI COMPLIANCE (Payment Card Industry)</b>		
Security standards	Evaluate as specific bill is introduced	SDRA's Legislative Committee is authorized to review any legislation that is introduced and determine the position to be taken by SDRA related to Payment Card Industry (PCI) security standards for account data protection.
<b>PHARMACY / EPHEDRINE-PSEUDOEPHEDRINE / METH</b>		
Pre-emption for ephedrine & pseudo.	Oppose	Repeal of the "pre-emption" statute which makes the state the sole regulator of the sales, marketing and distribution of drugs containing ephedrine or pseudoephedrine.
Display & sales requirements	Support	Legislation establishing display and sales requirements that would mirror the federal law for businesses selling products containing ephedrine or pseudoephedrine.
Pharmacy only sales	Neutral	Limiting the sale of products containing ephedrine or pseudoephedrine to pharmacies only.
Substitution-notification	Oppose	Legislation to require pharmacists to provide notification to physicians if a substitution has been made, such as brand to brand, brand name to generic, one manufacturer to another, etc.
<b>POLITICAL ACTION COMMITTEES</b>		
Corporate	Support	Allowing corporate contributions to political action committees.
<b>PREPAID WIRELESS PHONE SERVICE</b>		
Surcharge	Oppose	Legislation to impose a surcharge on prepaid wireless phone services at the retail level for enhanced 9-1-1 emergency services.

GENERAL DESCRIPTION	SDRA POSITION	CATEGORY TITLE -AND- DESCRIPTION OF ISSUE
<b>PRIVACY</b>		
<b>Requirements for retailers</b>	Oppose	Enactment of privacy legislation affecting the retail sector if it is introduced at the state level. SDRA believes this needs to be a federal enactment.
<b>PROPERTY TAX</b>		
<b>Annual increase</b>	Neutral	Limiting annual property tax increases to the rate of inflation until the property is sold.
<b>Commercial property taxes</b>	Support	Providing property tax relief for commercial property.
<b>More relief for home owners &amp; ag</b>	Oppose	Further property tax reduction plans for owner-occupied homes and agricultural property unless commercial property receives equal amounts of property tax reduction.
<b>Maximum tax for aid to education</b>	Support	Proposal to contain the maximum tax that can be levied on business property for state aid to education, which will prevent cost shifting.
<b>Opt-out provisions</b>	Oppose	Legislation easing the property tax opt-out provisions until there is some property tax relief for businesses.
<b>Owner occupied commercial prop.</b>	Support	Classifying and taxing owner-operated commercial property at a lower rate than other commercial property.
<b>Relief funded by business taxes</b>	Oppose	Further reductions in property taxes for owner-occupied homes and agricultural property if the reduction is funded by any additional tax on businesses.
<b>Relief funded by sales tax hike</b>	Oppose	Any increase in the state sales tax to offset a reduction in property taxes.
<b>School funding</b>	Oppose	Efforts to prohibit the use of property taxes for school funding.
<b>SALES TAX</b>		
<b>Advertising</b>	Oppose	Imposition of a tax on advertising.
<b>Ag development</b>	Oppose	Raising the state sales tax to fund a value-added ag development, loan, or promotion program.
<b>Bed Board &amp; Booze Tax</b>	Legislative Committee	Legislation may be introduced to allow local governments the option of imposing an additional penny on the so-called Bed, Board and Booze Tax, to use for tourism promotion. This issue will be referred to the Legislative Committee if legislation is introduced.
<b>Catalog and internet purchases</b>	Support	Requiring out-of-state mail order and Internet companies to collect and remit sales tax on purchases.

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<b>Collection allowance</b>	Support	Reinstatement of a credit to compensate retailers for collecting sales tax. The consensus of the Board is to wait for an opportunity to tie the budgeting for the payment of the collection allowance to another bill if possible, rather than introducing a stand-alone bill.
<b>Efficiencies</b>	Support	Efficiencies at all levels of government, and reductions in government spending.
<b>Electronic reporting &amp; remitting</b>	Oppose	Mandated electronic reporting and remitting of sales tax. (Note: The Association does encourage retailers to voluntarily file and remit sales tax electronically, but opposes a mandate).
<b>Groceries</b>	Oppose	Removing the state sales tax on groceries if the revenue is replaced through an increase in other taxes, or implementation of a new tax.
<b>Hospitality taxes</b>	Evaluate as specific bill is introduced	SDRA's Legislative Committee is authorized to review any legislation that is introduced and determine the position to be taken by SDRA on legislation which would increase the amount of tax which municipalities are allowed to impose on sales of alcoholic beverages, prepared foods, lodging, and admission fees.
<b>Local option</b>	Oppose	Allowing imposition of additional local option taxes.
<b>Leased employee services</b>	Support	Correcting the inequity in South Dakota law which currently provides for a service tax on leased employees working in different divisions of the same parent company.
<b>Sales tax holiday</b>	Will not introduce or support	SDRA will not introduce or support legislation to enact a state Sales Tax Holiday in South Dakota, but may reconsider this decision. SDRA does support enactment of a national Sales Tax Holiday law.
<b>Streamlining</b>	Support	South Dakota Department of Revenue and Regulation as they work toward getting South Dakota in compliance with the nationwide streamlining the sales tax project.
<b>Streamlining repeal</b>	Oppose	Efforts to repeal laws enacted by South Dakota aimed at getting the state in compliance with the nationwide streamlining the sales tax project.
<b>Tax increases &amp; new taxes</b>	Oppose	Tax increases or implementation of new taxes to replace an existing tax, or which have the effect of simply shifting the tax burden.
<b>Tax simplification</b>	Support	Simplification of South Dakota's sales and use tax system.
<b>Tourism tax</b>	Neutral	Applying a 1% tourism tax to the gross receipts from the sale of food and non-alcoholic beverages in all restaurants that have 50 seats or more.
<b>Uniform rate</b>	Support	Establishing a uniform municipal tax rate statewide.
<b>Bounty program</b>	Oppose	<p data-bbox="570 1759 727 1795"><b>TOBACCO</b></p> <p data-bbox="570 1843 1433 1936">Establishment of a "bounty" or reward program for any person who provides information leading to the arrest and conviction of any person who sells or distributes tobacco to minors.</p>

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<b>Buydown sales</b>	No action	Proposal to revise state law regarding calculation of taxes owed on sales of cigarettes when there is a "buy down" from the manufacturer. (Issue could be resolved by Department of Revenue or the courts).
<b>Licensing</b>	Oppose	Requiring retailers to be licensed to sell tobacco products.
<b>Repeal tax increase</b>	Monitor	Proposals to reduce the tax on cigarettes resulting from the \$1 per pack increase imposed as the result of approval of a ballot issue in November, 2006.
<b>Smoking ban</b>	Oppose / Legis. Comm.	Legislation that would expand the smoking ban, and support the repeal of the smoking ban if introduced, and authorize SDRA's Legislative Committee to review specific legislation, if introduced, and determine the position to be taken by SDRA.
<b>State preemption</b>	Oppose	Repeal of the "pre-emption" statute which makes the state the sole regulator of the sales, marketing and distribution of tobacco products.
<b>Tax increase</b>	Oppose	Raising the state tax on tobacco strictly for punitive purposes if the state has not demonstrated a need for the funds.
<b>UNEMPLOYMENT INSURANCE</b>		
<b>Benefits</b>	Oppose	Major increases in unemployment insurance benefits until a proven need exists.
<b>Dependents</b>	Oppose	Mandatory payments for dependent children of a person who receives unemployment benefits.
<b>Corporate officers</b>	Oppose	Making officers and directors of corporations personally liable for unpaid unemployment insurance taxes.
<b>UNFAIR TRADE PRACTICES</b>		
<b>Strengthening the existing law</b>	Evaluate as a specific bill is introduced	SDRA's Legislative Committee is authorized to review legislation when introduced and take a stand on any legislation which would make it illegal to knowingly employ a deceptive or unfair trade act or practice. Current state law makes it illegal to knowingly and intentionally employ a deceptive trade act or practice.
<b>WAGES</b>		
<b>Minimum wage</b>	Oppose	Raising the state minimum wage higher than the federal rate
<b>Tip Credit</b>	Support	Maintaining the state tip credit at the same rate as that allowed under federal law.

GENERAL DESCRIPTION	SDRA POSITION	CATEGORY TITLE -AND- DESCRIPTION OF ISSUE
<b>Workers comp reform</b>	Support	<p><b>WORKERS COMP</b></p> <p>Workers compensation reform legislation which will stabilize or reduce the cost of workers compensation insurance for employers.</p>