

# Coalition forms to support economic development initiative

A group of concerned organizations, chambers of commerce and citizens have joined together to turn back a challenge to Gov. Dennis Daugaard's economic development initiative to appear on the November ballot as "Referred Law 14."

South Dakota's tax structure for operating businesses is very competitive, but new and expanding businesses pay a high tax rate on initial investments made for larger projects that can have significant positive effect on South Dakota's economy. Referred Law 14 creates a fund that can be used for grants to offset the higher taxes, allowing South Dakota to be more competitive when competing for growing businesses.

"We need RL14 to help offset short-term costs for businesses who

are expanding or re-locating," said David Owen, executive director of the South Dakota Chamber of Commerce. "It's an improved version of a program that, over the last 16 years, has secured businesses that today contribute more than ten times our participation to our economy, yearly."

The fund will use an annual appropriation from taxes collected from contractors for new construction for grants that are approved by the state economic development board. This process of approving the grants will be open and the awards will be public.

Qualifying projects must spend more than \$5 million. Qualifying projects listed in Referred Law 14 are: Manufacturing, laboratories, facilities for testing, electric generation and transmission,

agricultural processing and wind power (including manufacturing of wind power equipment). The law says the grants cannot be given to retail stores, residential development, lodging facilities, health care facilities and large animal feeding operations.

Referred Law 16 makes improvements to a former law that expires in December. The Governor and the economic development team can focus grants on companies with projects where the grants make the biggest difference. The lower threshold will help smaller communities find projects that will qualify whereas the former law's \$10 million dollar level was widely viewed as restrictive.

Says Owen, "Economic development creates good paying jobs, increases funding available for

schools, law enforcement and other public services and helps make South Dakota's economy more recession proof."

Success in economic development requires South Dakota to compete against surrounding states, large states on both coasts and other countries. This competition is not only affects companies looking to relocate, it entices our local businesses to move out of South Dakota. The most intense competition is aimed and the largest investments and at large projects that create the best jobs, offer benefits, pay significant taxes and significantly diversify the economy.

The contractors' excise tax combined with the application of sales and use taxes on construction creates a total tax burden that is higher than many other states and

can mean that businesses will look for a better use of that money elsewhere.

Should voters reject Referred Law 14, South Dakota will not have an answer to the higher tax rate on large investments. Lawmakers will be required to consider how to attract the kind of investment that can grow the economy, provide jobs for the future, enable long term funding for schools and public services and make South Dakota even more resistant to recession.

The "Vote Yes on 14" committee asks South Dakota voters to join a coalition of more than 15 organizations that represent agriculture, chambers of commerce, construction, and associations that represent public officials. These organizations are "For 14."

## Drought intensifies in northeastern SD this week

Drought is intensifying in northeastern South Dakota this week, according to the latest U.S. Drought Monitor, released Sept. 20.

"There was a one category degradation in conditions in Brown, Day and Marshall Counties," said Laura Edwards, SDSU Extension climate field specialist. "The field conditions are comparable to the surrounding area, and this change makes the drought category consistent with neighboring counties."

As combines work fields to harvest corn and soybeans in the area, Edwards says climatologists are getting a better understanding of how the drought has affected row crops.

"The last one to two months, very little precipitation has fallen across this northeastern area, but also in other existing drought areas," Edwards said.

Statewide, most climate-observing locations have reported less than half of average rainfall over the past 60 days. Many of those had reported less than a quarter of average for that same period. Timeliness of rains and heat has created varying yield results across the region's corn and soybean areas.

Edwards says that oftentimes more can be learned about crop response to extremes during drought years than during wet years.

"If crops are not water-stressed, we see overall higher yields and more consistent growth in any given field or area," she said. "When they are water-stressed, we can identify finer differences between soil types, chemical treatments, exposure to sun and wind, and drainage, all of which have an impact on the final yields."

NOAA's Climate Prediction Center released their latest seasonal drought outlook on Sept. 20.

"The updated drought outlook is significantly less optimistic from that of a few weeks ago," said Dennis Today, SDSU state climatologist. "For the rest of the year, drought conditions are expected to persist across South Dakota."

The small area of no drought around Mobridge is projected to develop into drought conditions in the next few months, according to the outlook.

Today says the Climate Prediction Center states they have high confidence in this forecast.

"The fall season is typically a transition time to a drier time of the year," Today said. "Climate models are also projecting warmer than average temperatures continuing through the rest of the year. There is a lower probability that the state will be any wetter than average. As a result, drought conditions are expected to continue for the next three months."

SDSU Extension will provide weekly drought briefings throughout the 2012 growing season. To keep up to date on how the drought is impacting South Dakota's agriculture industry, visit iGrow.org.

## Gordy Pratt continues tour in Yankton Saturday

Gordy Pratt continues his tour of historic opera houses Saturday, Sept. 29, at the Dakota Theatre in Yankton. The 90-minute concert, a combination of classical guitar, original and favorite songs and stand-up musical comedy, begins at 7 p.m. Cost is \$13 in advance and \$15 at the door. To purchase tickets, contact the Theatre at (605) 665-4711 or by e-mail at LCTCyankton@yahoo.com.

Called the "Victor Borge of the Guitar," Gordy mesmerizes audiences with his unique blend of world-class guitar playing and stand-up musical comedy. His fingers fly as he plays Bach and Bluegrass in the same breath, Mozart on "12 cups of good, strong cowboy coffee," and a foot-stomping turn of "Classical Gas." In Gordy's character-driven comedy, you'll meet Orville T. Saddlesore, "a chewed up old cowboy" who offers up words of Western wisdom; Joe California, a cool dude struggling to survive his first winter; Joe Prosciutto, a

New Yorker suffering culture shock; and, of course, a good dose of Gordy's "Baby Boomer Humor." His family friendly shows engage and delight audiences of all ages.

The Dakota Theatre opened in 1909 as the Yankton Opera House. In 1921 it was renamed the Hess Theatre by its new owners; it became the Dakota Theatre in 1929. The Theatre closed in 1987 and was purchased in 1990 by a nonprofit organization. It reopened in 1993 and houses the Lewis and Clark Theatre Company. The theatre is undergoing restoration.

Gordy spent many summers at the Black Hills Playhouse in Custer State Park in South Dakota where he fell in love with theater and music. It is his "love of old theaters" that led to the Historic Opera House Tour, he said. "I imagine music and laughter filling the halls of these great buildings for so many years. From Vaudeville acts to community

theater shows, these houses continue to offer a great atmosphere in which people can perform."

Gordy has appeared on ABC's "Good Morning America" and shared the stage with Kenny Chesney, the Nitty Gritty Dirt Band, The Beach Boys and many others. For nearly 20 years, Gordy has performed his unique style of stand-up musical comedy as "The original Fabulous ONE GUY" for hundreds of corporations and organizations around the country. He studied at Ithaca College, Ithaca, NY; the Royal College of Music, London, England; and the San Francisco Conservatory of Music.

In addition to his most recent CD, "rusty old american dream," Gordy has produced a classical solo guitar album, "String Theory," and a historical CD, "Seth Bullock: Spirit of the West," among others. Gordy's music is available for sale on CD Baby, iTunes, Amazon.com and at Gordy's Web site, gordypratt.com.



USD Department of Theatre actors Kendra Bolan, Jamie Fields, and Emily Vortherms, all members of the chorus, rehearse for the upcoming performance of "Medea" by Euripides. "Medea" performs Sept. 28, 29 & Oct. 1 at 7:30 p.m. and Sept. 30 at 2 p.m. in the Wayne S. Knutson Theatre on the USD campus. Tickets can be purchased by calling 605.677.5400 in the weekday afternoons (noon to 5 p.m.) or online at www.usd.edu/theatre.

## State insurance division protects Northern Plains Insurance Company policy-holders

The South Dakota Division of Insurance has placed Northern Plains Insurance Company located in Watertown into liquidation due to insolvency. The order of liquidation has been approved by the circuit court. Northern Plains Insurance is a South Dakota-based personal auto insurance company which specializes in offering high-risk coverage.

State Insurance Director Merle Scheiber says the order of liquidation allows the division to provide protection to the affected policy-holders, including the payment of any valid claims.

The South Dakota Insurance Guaranty Association fund, established by SDCL Chapter 58-29A, provides a safety net to claimants. The fund is designed to pay claims in the event of insurance company liquidation.

"We are confident all existing valid claims will be paid," said Scheiber. "The liquidator is notifying all policy holders, claimants and other interested parties by mail to outline the procedure to file claims and get information on the liquidation status."

Related documents are available at www.northernplainsins.com. Affected policy-holders should contact their insurance agent for assistance in finding other coverage. Anyone with questions is encouraged to call the Division of Insurance at (605) 773-3563.

## Foundation seeks mentors and matches

The Clay-Union Foundation matches youth age 5-17 in Clay and Union counties, and would like to invite new members throughout the two counties to join as a mentor, or as a member. The volunteers spend two hours per week with their match, and there is no cost to join. Mentoring is a great way to share talents, skills and values, and pays benefits for everyone involved.

The program has two 14-year-old girls and a 13-year-old boy in Elk Point, and a 12-year-old boy near Jefferson, all seeking to find an adult mentor. An adult male volunteer is also seeking to find a match with a boy in Vermillion, and is ready to be a mentor.

The program website has applications at <http://www.clay-unionfoundation.org/> and they may be emailed to the director. The process takes several weeks, so sign up now as a mentor, to get it started, or join as a youth and meet other matches. Contact John Gille at 605-421-5050 or email [jgille60@yahoo.com](mailto:jgille60@yahoo.com) for more information on helping the program grow.

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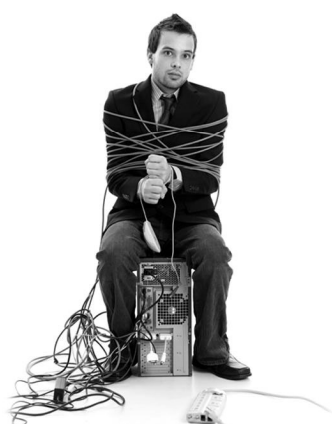


**Calling All Veterans**

The American Legion / VFW will have a float in the Dakota Days Parade. Veterans interested in riding or walking with float muster at the head of the parade by 9:30am, Saturday, October 6th.

Questions?  
Contact Richard, 624-6644

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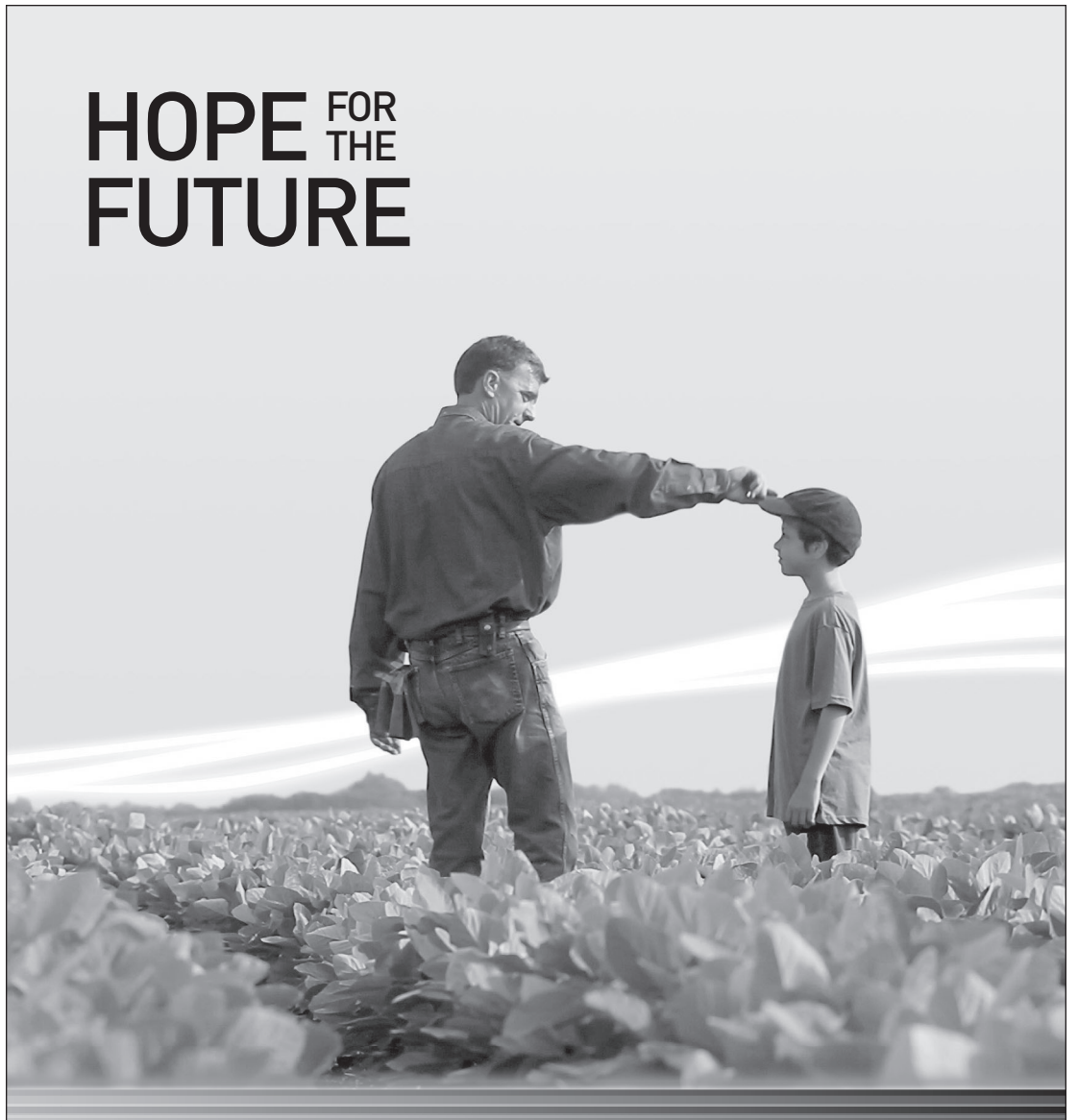
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