

## Attachment 3

**From:** [Chambliss, Cody](#)  
**To:** [Edwards, Kristen](#)  
**Subject:** FW: [EXT] South Dakota transactions  
**Date:** Thursday, July 14, 2022 2:02:22 PM  
**Attachments:** [41815a.pdf](#)  
[62832a.pdf](#)  
[85062.pdf](#)  
[93938.pdf](#)  
[108618.pdf](#)  
[SD Customer List.xlsx](#)

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**From:** Piper, Adam <[apiper@AGP.com](mailto:apiper@AGP.com)>  
**Sent:** Friday, July 8, 2022 3:53 PM  
**To:** Chambliss, Cody <[Cody.Chambliss@state.sd.us](mailto:Cody.Chambliss@state.sd.us)>  
**Cc:** Edwards, Kristen <[Kristen.Edwards@state.sd.us](mailto:Kristen.Edwards@state.sd.us)>  
**Subject:** RE: [EXT] South Dakota transactions

Cody-

I have attached the information you requested below of 5 scale tickets, corresponding contracts and settlement sheets for the South Dakota Hutterian Coop. These span over the last three years.

Adam Piper  
Ag Processing Inc-Omaha, NE  
Phone: (402)492-3341

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**From:** Chambliss, Cody <[Cody.Chambliss@state.sd.us](mailto:Cody.Chambliss@state.sd.us)>  
**Sent:** Tuesday, July 5, 2022 3:17 PM  
**To:** Piper, Adam <[apiper@AGP.com](mailto:apiper@AGP.com)>  
**Cc:** Edwards, Kristen <[Kristen.Edwards@state.sd.us](mailto:Kristen.Edwards@state.sd.us)>  
**Subject:** [EXTERNAL] South Dakota transactions

Adam,

As we discussed on the phone this morning we are seeking more information on the South Dakota Hutterian Coop. We would like a random sample and copy of 5 different scale tickets, 5 contracts, and 5 settlement sheets(check) for years 2020, 2021, 2022. The scale tickets should correlate directly with the contract and settlement sheet.

Also we ask for a list of all entities you buy from based in South Dakota. New legislation was passed earlier this spring that went into effect on July 1, 2022. That legislation increased penalties for violations of our chapters; but also added a definition for grain brokers. Those statues are posted below. We have a confidentiality statue that is 49-45-14 posted below.

## Attachment 3

I have included Kristen Edwards on this email as well she is our staff attorney. Again thank you for your time this morning and your quick responses to our requests. Please let me know if you have any questions about this mater.

Cody Chambliss  
South Dakota Public Utilities Commission  
Grain Warehouse Program Manager  
605-773-5278

### **49-45-26. Provision of requested records--Penalty--Civil fine.**

A grain buyer, the owner, manager, or chief executive officer of a grain buyer, or any other person in a managerial position, whether licensed or unlicensed, who or that purchases grain in this state, shall, within five working days of an inspector's request, provide to the inspector, at a licensed location within this state or at the offices of the commission, all books, accounts, and electronic records relating to the transactions of the grain buyer, either within or outside the state.

A willful violation of this section is a Class 1 misdemeanor.

The commission may assess a civil fine in an amount not to exceed one thousand dollars for each day requested materials are withheld, up to a maximum of twenty thousand dollars per licensing period, as set forth in § [49-45-3](#)

### **49-45-14. Reports by buyers--Public inspection not permitted--Violation as misdemeanor.**

Every grain buyer licensed in this state shall, at such times as the commission requires, furnish the commission on forms prepared by the commission, reports showing the facts and information required by the commission. The **reports are not for public inspection**, but the commission may, upon request, furnish the total of the figures shown on such reports if the figures requested are for **not less than four grain buyers**. The commission may also require that a grain buyer provide any other documents and information regarding the business of the grain buyer. None of the documents and information obtained through the licensing and inspection processes are subject to public inspection. A violation of this section is a Class 1 misdemeanor.

### **49-45-1. Grain buyer's license--Penalty--Civil fine.**

Before transacting the business of a grain buyer in this state, a person shall obtain a grain buyer license from the commission.

A **violation of this section is a Class 5 felony if the person holds himself or herself out to be a grain broker and a Class 1 misdemeanor in all other cases**. Each purchase of grain without a license is a separate offense.

A grain buyer transacting business without a license may be enjoined upon complaint of the commission.

The commission may assess a civil fine against an unlicensed grain buyer in the amount of five thousand dollars for each purchase of grain, up to a maximum fine of fifty thousand dollars per licensing period, as set forth in § [49-45-3](#).

For purposes of this section, the term, purchase of grain, means a transaction evidenced by the issuance of a uniform scale ticket or receipt, as described in § [49-45-10.1](#).

### **49-45-1.1. Definitions.**

### Attachment 3

Terms used in this chapter mean:

- (1) "Commission," the Public Utilities Commission;
- (2) "Grain," grain, grain sorghums, beans, pulse crops, and oil seeds. The term does not include grain that has been cleaned, processed, and specifically identified for an intended use of planting for reproduction, grain received for consignment that will be processed by the consignee for an intended use of planting for reproduction, or grain purchased to feed livestock;
- (3) "Grain broker," a person who is involved in the negotiation of a grain transaction in this state and:
  - (a) Is compensated for that involvement by at least one party to the transaction; and
  - (b) Does not take title to the grain that is subject to the transaction;
- (4) "Grain buyer," any person who purchases grain for the purpose of reselling the unprocessed grain or who purchases three hundred thousand dollars' worth or more of grain directly from producers in a calendar year. Nothing in this chapter applies to the isolated resale of grain by a producer who does not hold himself or herself out as engaging in the business of reselling grain;
- (5) "Holds himself or herself out," the creation of an assumption or the use of any kind of title, sign, symbol, document, or term indicating or conveying the idea that the person whose name is so connected is competent, qualified, authorized, or entitled to engage in certain activities;
- (6) "Person," any natural person, firm, corporation, company, limited liability company, partnership, association, or joint stock company, or the lessee, trustee, or receiver appointed by any court for any one of the foregoing;
- (7) "Producer," a person engaged in the business of grain production; and
- (8) "Voluntary credit sale," a sale of grain or seeds pursuant to which the sale price is to be paid more than thirty days after the delivery or release of the grain for sale, including those contracts commonly referred to as deferred-payment contracts, deferred-pricing contracts, and price-later contracts