



**South Dakota Association of Cooperatives**  
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Public Utilities Commission  
500 E Capitol Ave  
Pierre SD 57501

RE: GW23-001

Commissioners Fiegen, Nelson, and Hanson;

On behalf of the grain buyers and elevator members of the South Dakota Association of Cooperatives, we are encouraging you to approve staff's recommendations regarding fines, penalties, criminal prosecution, and license denial against Banghart Properties, LLC.

Banghart Properties, LLC, purchased grain over 180 times without a license during its 2022 license period and 130 times without a license during its 2023 license period. The fine recommendation of \$70,000 is appropriate and statutorily supported. The company was aware of licensing requirements and restrictions of their business. They were well aware that they were purchasing grain outside of their statutory authority of the Class B license they held, yet chose to operate in violation.

Additionally, PUC staff is requesting:

- this matter be referred for criminal prosecution for over 300 purchases of grain without a license and false or misleading statements to the Commission;
- that a complaint be filed with the circuit court seeking to enjoin Banghart from engaging as a Grain Buyer; and
- the Commission issue an order determining that these violations constitute good cause under South Dakota statutes to deny a license to Banghart and to any entity where any owner, manager, or chief executive officer of Banghart would be serving as an owner, manager, or chief executive officer of such applicant.

Even after being warned, the company continued breaking the law and operating outside the authority of the license they were granted by the SD Public Utilities Commission to be a grain buyer in the state.

SDAC has been an advocate for the laws and rules governing the purchase of grain – laws and rules that protect producers and enhance the integrity of our farmer-owned cooperatives. The recommendations put forth in this docket are based on enforcing those laws and rules.

We appreciate the staff's support of South Dakota producers and the industry in enforcing the laws. Thank you for your time and consideration of our comments.

Sincerely,

A handwritten signature in blue ink that reads "Brenda Forman". The signature is written in a cursive, flowing style.

Brenda Forman  
Executive Director