

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, SEPTEMBER 10, 2025, 10:15 A.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, SEPTEMBER 10, 2025, 10:15 A.M., CT**

**Board
Members:**

Jeff Erickson

Matt Judson

***Sharon
Casey***

Mike Luken

***Don
Kettering***

Tom Jones

Reed Kessler

Joy Nelson

***Kevin
Tetzlaff***

David Emery

***Craig
Christianson***

Brad Moore

Jim Schmidt

Non-Voting

***Senator Tim
Reed***

***Representative
Erik Muckey***

Motion Sheet

(STAFF RECOMMENDATIONS)

Rules 68:02

Motion to accept the changes proposed to 68:02 Board of Economic Development

Motion made by _____ and seconded by _____.

Rules 68:02:10:01 through 68:02:10:17

Motion to decline to proceed with proposed changes to the rules for the South Dakota Jobs Program.

Motion made by _____ and seconded by _____.

Agenda

Motion to approve the agenda as presented.

Motion made by _____ and seconded by _____.

Minutes

Motion to approve the minutes of the meeting held August 13, 2025, August 29, 2025 and September 2, 2025, as presented.

Motion made by _____ and seconded by _____.

Conflicts of Interest Disclosures

Public Comments

Commissioners Comments

Executive Session

Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-16G-11, 1-25-2(3) and 19-19-502

Motion made by _____ and seconded by _____.

Chairman: The Chairman declared the board out of executive session at [a.m.].

Chairman: The BED entered into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

Please note times:

Call To Order: _____

Executive
Session _____

Regular Session _____

Adjournment _____

Motion to approve the chairman's report from executive session.

Motion made by _____ and seconded by _____.

Grant Reviews

Local Infrastructure Improvement Program (Turner County) and Reinvestment Payment Program (Marion Industrial and Wilson Trailer Company)

Motion to approve the grant reviews and recommendations as presented.

Motion made by _____ and seconded by _____.

Old Business

Jitter Joint, LLC

Motion to approve the loan review and collateral swap as presented.

Motion made by _____ and seconded by _____.

RTI, LLC

Motion to approve the limited ownership change as presented.

Motion made by _____ and seconded by _____.

Turner County

Motion to approve the withdrawal of the LIIP grant agreement as presented.

Motion made by _____ and seconded by _____.

New Business

Bel Brands USA

Motion to approve a waiver over \$1,000,000, a waiver to establish a longer maturity, a waiver for using REDI as a construction to permanent loan and approve a REDI loan request from Bel Brands USA in the amount up to \$10,000,000. Secured by a priority first-position mortgage on real estate and a blanket UCC on all business assets.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Motion made by _____ and seconded by _____.

Economic Development Partnership Program

Ally Dakota Development

Motion to approve an Economic Development Partnership grant award to Ally Dakota Development in the amount up to \$7,500 to be granted in accordance with the board's Economic Development Award Policy for IEDC Basic Training.

Motion made by _____ and seconded by _____.

Reinvestment Payment Program
Grant Solar, LLC

Motion to approve the Reinvestment Payment Program grant application to Grant Solar, LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of up to \$2,775,673 but not to exceed 50% of the amount of the actual State Sales/Use Tax paid on eligible project costs not to exceed \$179,579,081, is approved for Grant Solar LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion made by _____ and seconded by _____.

Adjourn

Motion made by _____ and seconded by _____.

A

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, SEPTEMBER 10, 2025, 10:15 A.M., CT**

The public may participate by the following:

Call In Number: (669) 900-9128 Meeting ID: 96677988449 Participant Id: # Passcode: 421401
www.zoom.com Meeting ID: 96677988449 Passcode: 421401

REGULAR SESSION AGENDA

10:15 A.M. Call to Order, Chairman Jeff Erickson

10:20 A.M. **Rules 68:02**
RECOMMENDED ACTION: Motion to accept the changes proposed to
68:02 Board of Economic Development as presented

Rules 68:02:10:01 through 68:02:10:17
RECOMMENDED ACTION: Motion to decline to proceed with proposed
changes to the rules for the South Dakota Jobs Program.

Agenda
RECOMMENDED ACTION: Motion to approve the agenda as
provided or amended.

Minutes
RECOMMENDED ACTION: Motion to approve the minutes of
August 13, 2025, August 29, 2025 and September 2, 2025 as
presented.

Conflicts of Interest Disclosures

Public Comments

Commissioner's Comments

10:25 A.M. **Executive Session**
RECOMMENDED ACTION: Motion to enter into executive session to
discuss contractual matters, and to discuss commercial and financial
information relating to loan and other assistance applicants. SDCL 1-
16G-11

-
10:55 A.M. **Report from Executive Session**
RECOMMENDED ACTION: Approve the Chairman's report from
Executive Session.

Other Motions
Grant Reviews
Jitter Joint, LLC
RTI, LLC
Turner County
Bel Brands USA

Economic Development Partnership Program
Ally Dakota Development
Reinvestment Payment Program
Grant Solar, LLC

Adjournment

Notice is further given to persons with disabilities that this meeting is being held in a physically accessible place. Please notify the above mentioned office within 48 hours of the public hearing if you have special needs for which this agency will make the necessary arrangements.

B

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, AUGUST 13, 2025, 10:15 A.M., CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Matt Judson, Sharon Casey, Mike Luken, Tom Jones, Reed Kessler, Kevin Tetzlaff, David Emery, Craig Christianson and Tim Reed

Staff Present

Deputy Commissioner Joe Fiala, Jack Valentine, Ashley Moore, Stephanie Deyo, Nadine Agneau, Nick Rabern, Brittany Eddy and Adam Molseed

Other Staff Present

Shawn Hofer and Mike Bietz – BankWest, Inc.

Other's Present

Aaron Scheibe – May, Adam, Gerdes & Thompson LLP

Call to Order

Chairman Erickson called the meeting to order at 10:15 a.m.

Rules 68:02

A motion was made by Jeff Erickson and seconded by Matt Judson to continue the hearing to the September meeting as presented.

Motion passed by a voice vote.

Agenda

A motion was made by Sharon Casey and seconded by Matt Judson to approve the agenda as presented.

Motion passed by a voice vote.

Minutes

A motion was made by Mike Luken and seconded by Don Kettering to approve the minutes of the meetings held July 10, 2025 and August 4, 2025, as presented.

Motion passed by a voice vote.

Open Meeting Laws

No action was taken.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Jeff Erickson declared a potential conflict with COAXIS LNG Processing, LLC due to banking relations and would not partake in the discussion or vote on the project. Joy Nelson declared a potential conflict with COAXIS LNG Processing, LLC due to banking relations and would not partake in the discussion or vote on the project. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from the board members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Matt Judson and seconded by Reed Kessler to enter into Executive Session at 10:35 a.m. to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants. SDCL 1-16G-11

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the board out of Executive Session at 11:03 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters, commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Don Kettering and seconded by Craig Christianson to approve the Chairman's report from Executive Session.

Motion passed by a voice vote.

Loan Review Summary

Blankenship Properties, LLC and Burnight Glass, LLC

A motion was made by Craig Christianson and seconded by Matt Judson to approve the loan reviews and recommendations as presented.

Motion passed by a voice vote.

Old Business

Barbeque Twist, LLC

A motion was made by Reed Kessler and seconded by Mike Luken to approve the recommendation as presented.

Motion passed by a voice vote.

City of Lake Preston

A motion was made by Tom Jones and seconded by Kevin Tetzlaff to approve a two-year extension to the LIIP grant until May 15, 2027.

Motion passed by a voice vote.

Kayla Lux

A motion was made by Craig Christianson and seconded by David Emery to approve the recommendation as presented.

Motion passed by a voice vote.

Manitou Equipment America, LLC

A motion was made by Don Kettering and seconded by Tom Jones to approve extending the RPP permit to July 18, 2026.

Motion passed by a voice vote.

Marion Industrial

A motion was made by Mike Luken and seconded by David Emery to approve reopening the RPP Permit and extending the permit to September 16, 2026.

Motion passed by a voice vote with Don Kettering voting no.

Whirlwind Investments, LLC

A motion was made by Mike Luken and seconded by Don Kettering to approve the recommendation as presented.

Motion passed by a voice vote.

New Business

COAXIS LNG Processing, LLC

A motion was made by Matt Judson and seconded by Don Kettering to approve a SD Works loan request from COAXIS LNG Processing, LLC in the amount up to \$1,200,000. Secured by a 2nd UCC with landlord acknowledgement, a collateral assignment of contracts, personal guaranties from all principals with 10% or more ownership and corporate guaranties.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Motion passed by a voice vote with Jeff Erickson abstaining.

Reinvestment Payment Program

Spartan Fire, LLC

A motion was made by David Emery and seconded by Reed Kessler to approve the Reinvestment Payment Program grant application to Spartan Fire, LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$636,300 but not to exceed 100% of the amount of the actual State Sales/Use Tax paid on eligible project costs not to exceed \$20,000,000, is approved for Spartan Fire LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a voice vote.

Adjourn

A motion was made by Mike Luken and seconded by Kevin Tetzlaff to adjourn the meeting at 11:16 a.m.

Motion passed by a voice vote.

Matt Judson, Treasurer

GRANT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
FRIDAY, AUGUST 29, 2025, 10:00 A.M. CT

Members Present

Chairman Don Kettering, Sharon Casey, Mike Luken and Tom Jones

Staff Present

Deputy Commissioner Joe Fiala, Jack Valentine, Ashley Moore, Stephanie Deyo, Adam Molseed, Sheldon Jensen and Bill Wendling

Call to Order

Chairman Kettering called the meeting to order at 10:00 a.m.

Agenda

A motion was made by Mike Luken and seconded by Tom Jones to approve the agenda as presented.

Motion passed by a voice vote.

Conflicts Disclosure – Chairman Kettering opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. There were none from committee members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Sharon Casey and seconded by Mike Luken to enter into executive session at 10:01 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-16G-11

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the Grant Committee out of executive session at 10:07 a.m. The Chairman reported that the Board of Economic Development Grant Committee entered into Executive Session to discuss commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Mike Luken and seconded by Sharon Casey to approve the chairman's report from executive session.

Motion passed by a voice vote.

Grant Reviews

Local Infrastructure Improvement Program (Tuner County) and Reinvestment Payment Program (Marion Industrial and Wilson Trailer Company)

Grant Committee recommends to the Board approving the grant reviews and recommendations as presented.

A motion was made by Tom Jones and seconded by Mike Luken.

Motion passed by a voice vote.

New Business

Economic Development Partnership Program

Ally Dakota Development

Grant Committee recommends to the Board approving an Economic Development Partnership grant award to Ally Dakota Development in the amount up to \$7,500 to be granted in accordance with the board's Economic Development Award Policy for IEDC Basic Training.

A motion was made by Mike Luken and seconded by Sharon Casey.
Motion passed by a voice vote.

Adjourn

A motion was made by Tom Jones and seconded by Mike Luken to adjourn the meeting at 10:10 a.m.
Motion passed by a voice vote.

Matt Judson, Treasurer

CREDIT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, SEPTEMBER 2, 2025, 11:00 A.M. CT

Members Present

Chairman Jeff Erickson, Don Kettering, Reed Kessler, Matt Judson and Craig Christianson

Staff Present

Commissioner Bill Even, Deputy Commissioner Joe Fiala, Jack Valentine, Ashley Moore, Nadine Agneau, Nick Rabern, Brittany Eddy and Adam Molseed

Others Present

Shawn Hofer and Mike Bietz – BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 11:00 a.m.

Agenda

A motion was made by Don Kettering and seconded by Matt Judson to approve the agenda as presented.

Motion passed by a voice vote.

Conflicts Disclosure

Conflicts Disclosure – Chairman Erickson opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. There were none from committee members and no objection to proceeding with the agenda.

Public Comments

None

Executive Session

A motion was made by Craig Christianson and seconded by Don Kettering to enter into Executive Session at 11:02 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-16G-11.

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the Credit Committee out of Executive Session at 11:19 a.m. The Chairman reported that the Board of Economic Development Credit Committee entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Matt Judson and seconded by Don Kettering to approve the Chairman's report from executive session.

Motion passed by a voice vote.

Old Business

Jitter Joint, LLC

Credit Committee recommends to the board approving the loan review and collateral swap as presented.

A motion was made by Reed Kessler and seconded by Craig Christianson.

Motion passed by a voice vote.

RTI, LLC

Credit Committee recommends to the board approving the ownership change as presented.

A motion was made by Reed Kessler and seconded by Matt Judson.

Motion passed by a voice vote.

New Business

Bel Brands USA, LLC

Credit Committee recommends to the board approving the REDI application as presented.

A motion was made by Don Kettering and seconded by Reed Kessler.

Motion passed by a voice vote.

Adjourn

A motion was made by Matt Judson and seconded by Don Kettering to adjourn the meeting at 11:21 a.m.

Motion passed by a voice vote.

Matt Judson, Treasurer

<div>1STATE OF SOUTH DAKOTA</div> <div>2ECONOMIC DEVELOPMENT FINANCE AUTHORITY</div> <div>3=====</div> <div>4Sections 68:02:01:35, 68:02:01:36,</div> <div>568:02:01:47, 68:02:01:48,</div> <div>669:02:01:50, 68:02:01:55; and</div> <div>768:02:10:01 through 68:02:10:17,</div> <div>8inclusive ORIGINAL</div> <div>9=====</div> <div>10RULES HEARING</div> <div>11Transcript of Hearing</div> <div>12August 13, 2025</div> <div>1310:15 a.m.</div> <div>14=====</div> <div>15BEFORE THE HONORABLE CATHERINE WILLIAMSON</div> <div>16ADMINISTRATIVE LAW JUDGE, OFFICE OF HEARING EXAMINERS</div> <div>17AND THE SOUTH DAKOTA BOARD OF ECONOMIC DEVELOPMENT</div> <div>18=====</div> <div>19A P P E A R A N C E S</div> <div>20AARON SCHEIBE</div> <div>21MAY, ADAM, GERDES & THOMPSON</div> <div>22503 South Pierre Street</div> <div>23Pierre, South Dakota 57501</div> <div>24ALSO PRESENT: Jack Valentine</div> <div>25</div> <div>Cheri M. Wittler, RPR, CRR, Precision Reporting, 213 S. Main, Onida, SD</div>	<div>3</div> <div>1CHAIRMAN ERICKSON: We have a quorum and, with</div> <div>2that, I'm going to turn the first part of this meeting</div> <div>3over to Catherine to walk us through the hearing portion.</div> <div>4Thank you.</div> <div>5ADMINISTRATIVE LAW JUDGE: Okay. Very good.</div> <div>6CHAIRMAN ERICKSON: The floor is yours.</div> <div>7ADMINISTRATIVE LAW JUDGE: Okay. Very good.</div> <div>8It is August 13 of 2025. We're here at the</div> <div>9Dolly-Reed Plaza in Pierre, South Dakota, and members of</div> <div>10the board are present via teleconference. And we are</div> <div>11here regarding the rules review hearing on 68:02:01</div> <div>12subchapters 35, 36, 47, 48, 50, and 55 as well as</div> <div>1368:02:10:01 through 68:02:10:17.</div> <div>14And we're going to start off -- do we have --</div> <div>15Ashley, you said we have a quorum present?</div> <div>16MS. MOORE: We do.</div> <div>17ADMINISTRATIVE LAW JUDGE: Very good. Can you</div> <div>18call roll, please.</div> <div>19MS. MOORE: Matt Judson.</div> <div>20MR. JUDSON: Here.</div> <div>21MS. MOORE: Sharon Casey.</div> <div>22MS. CASEY: Here.</div> <div>23MS. MOORE: Mike Luken.</div> <div>24MR. LUKEN: Here.</div> <div>25MS. MOORE: Don Kettering.</div>
<div>2</div> <div>1The following Transcript of Hearing was</div> <div>2taken at the Dolly-Reed Plaza, 711 East Wells Avenue,</div> <div>3Pierre, South Dakota, on the 13th day of August, 2025,</div> <div>4commencing at 10:15 a.m.; before Cheri McComsey Wittler,</div> <div>5a Registered Professional Reporter, Certified Realtime</div> <div>6Reporter, and Notary Public within and for the State of</div> <div>7South Dakota.</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>25</div>	<div>4</div> <div>1MR. KETTERING: Here.</div> <div>2MS. MOORE: Tom Jones.</div> <div>3Reed Kessler.</div> <div>4MR. KESSLER: Here.</div> <div>5MS. MOORE: Joy Nelson.</div> <div>6Kevin Tetzlaff.</div> <div>7MR. TETZLAFF: Here.</div> <div>8MS. MOORE: David Emery.</div> <div>9MR. EMERY: Here.</div> <div>10MS. MOORE: Craig Christianson.</div> <div>11MR. CHRISTIANSON: Here.</div> <div>12MS. MOORE: Brad Moore.</div> <div>13Tim Reed.</div> <div>14MR. REED: Here.</div> <div>15MS. MOORE: Erik Muckey.</div> <div>16Jeff Erickson.</div> <div>17CHAIRMAN ERICKSON: Here.</div> <div>18ADMINISTRATIVE LAW JUDGE: Very good. Thank</div> <div>19you.</div> <div>20And I'd call on a member of the Governor's</div> <div>21Office of Economic Development, the Finance Division</div> <div>22staff, to talk about Article 68:02.</div> <div>23Mr. Valentine, Jack Valentine.</div> <div>24MR. VALENTINE: Yes. Thank you. Good morning.</div> <div>25At this time I'd like to propose the rules as</div>

<p style="text-align: right;">5</p> <p>1 presented to Legislative Research Council code counsel in</p> <p>2 the format as they were presented to code counsel.</p> <p>3 For this board I would note that a number of</p> <p>4 style and form as well as potential substantive changes</p> <p>5 were returned from code counsel's office as the board and</p> <p>6 GOED's legal counsel and staff work through those changes</p> <p>7 to find out exactly what those entail. Again, we are</p> <p>8 presenting to you now what was presented to Legislative</p> <p>9 Research Council code counsel, and in September, at the</p> <p>10 September board meeting, we would then present what we</p> <p>11 have worked out with code counsel at that time as well as</p> <p>12 pointing out any substantive changes that resulted from</p> <p>13 that return and the further discussions and developments</p> <p>14 with code counsel.</p> <p>15 With that being said, I would like to introduce</p> <p>16 Chapter 68:02:01 under the Board of Economic Development</p> <p>17 REDI loans, drawing specific attention to a couple of</p> <p>18 changes that were proposed by staff and legal counsel</p> <p>19 that are substantive.</p> <p>20 In 68:02:01:36, the change is to bring the</p> <p>21 minimum loan amount from \$1 million to \$3 million. The</p> <p>22 average size of the REDI loan has increased over the</p> <p>23 years. It's gotten to the point where pretty much every</p> <p>24 REDI loan that's made requires such a waiver and, thusly,</p> <p>25 bringing the current loan pursuant to this chapter in the</p>	<p style="text-align: right;">7</p> <p>1 ADMINISTRATIVE LAW JUDGE: Any questions or</p> <p>2 comments?</p> <p>3 MR. VALENTINE: Great. So without hearing any</p> <p>4 questions or comments, I guess I would close out that is</p> <p>5 Chapter 68:02:01, REDI loans, presented for your</p> <p>6 consideration for deferring to the September board</p> <p>7 meeting after staff and code counsel -- or after staff</p> <p>8 and legal counsel have time to work things out with code</p> <p>9 counsel.</p> <p>10 MS. MOORE: Jack, this is Ashley. I just wanted</p> <p>11 to let you know that Tom Jones has joined the meeting.</p> <p>12 ADMINISTRATIVE LAW JUDGE: Very good.</p> <p>13 MR. JONES: Thank you, Ashley.</p> <p>14 ADMINISTRATIVE LAW JUDGE: Any comments on that</p> <p>15 rule, those rule changes?</p> <p>16 I'd note for the record that there is no members</p> <p>17 of the public present here in the board room.</p> <p>18 Has there been any comments submitted in regards</p> <p>19 to these rule changes, Mr. Scheibe or Mr. Valentine?</p> <p>20 MR. VALENTINE: We have received no comments</p> <p>21 regarding these rules changes from the public.</p> <p>22 ADMINISTRATIVE LAW JUDGE: Okay. Thank you.</p> <p>23 Very good. Then we'll move to the next rule.</p> <p>24 MR. VALENTINE: Yes. Thank you.</p> <p>25 Presented again for your consideration and</p>
<p style="text-align: right;">6</p> <p>1 original principal amount up to the \$3 million level</p> <p>2 seems to be in parody with project costs in the private</p> <p>3 sector at this time.</p> <p>4 Moving on to 68:02:01:38, there's some cleanup</p> <p>5 in the use of loan proceeds; in 68:02:01:42, some cleanup</p> <p>6 in the acceptance and time restrictions on the applicant;</p> <p>7 68:02:01:48, some cleanup with regard to maturity and</p> <p>8 interest rates and notes in that section.</p> <p>9 And then, again, one that's of particular note</p> <p>10 with some substantial changes as proposed by legal</p> <p>11 counsel and staff is 68:02:01:50 under delegation of</p> <p>12 administrative functions. Staff and legal counsel are</p> <p>13 proposing that the board grant additional latitude to</p> <p>14 staff in closing of loans and with regard to making</p> <p>15 decisions at the time of closing regarding collateral</p> <p>16 increases or decreases, minimal increases or decreases in</p> <p>17 loan amounts. And really just as a function of</p> <p>18 timeliness, being responsive and nimble to the private</p> <p>19 sector, to our lending partners, and only after the Board</p> <p>20 of Economic Development has approved the base loan would</p> <p>21 this latitude be granted. That amount of latitude is in</p> <p>22 the amount of 5 percent as proposed.</p> <p>23 I think that at this time it's worth pausing and</p> <p>24 opening it up to the board for any questions or comments</p> <p>25 regarding that particular proposal.</p>	<p style="text-align: right;">8</p> <p>1 request to defer to the September meeting is Chapter</p> <p>2 68:02:10 for the South Dakota Jobs grant program. Again,</p> <p>3 the changes proposed by staff and legal counsel to LRC</p> <p>4 code counsel were met with a return of a number of style</p> <p>5 and form changes requested by code counsel. As we work</p> <p>6 through those changes, since even though they're quoted</p> <p>7 as style and form, they do potentially carry substantive</p> <p>8 changes with them, again we ask that we defer action on</p> <p>9 this to the September meeting.</p> <p>10 In Chapter 68:02:10 these are mainly cleanup</p> <p>11 items proposed by staff and legal counsel with regard to</p> <p>12 the South Dakota Jobs grant program. 68:02:10:06, board</p> <p>13 action on applicant, general notes and cleanup;</p> <p>14 68:02:10:10, time restrictions on applicant, again</p> <p>15 general notes and cleanup; 68:02:10:12 with regard to</p> <p>16 payment is, again, general cleanup and notes.</p> <p>17 And, with that, Chapter 68:02:10 is presented to</p> <p>18 you as it was presented to Legislative Research Council</p> <p>19 code counsel.</p> <p>20 MR. SCHEIBE: Ms. Williamson, if I may.</p> <p>21 This is Aaron Scheibe, outside counsel to GOED</p> <p>22 staff. I did, for the board's benefit, just want to make</p> <p>23 a note on the South Dakota Jobs grant rules that were</p> <p>24 just reviewed by Mr. Valentine, one of the issues that</p> <p>25 we're looking at very carefully is that these rules and</p>

<div>9</div> <div>1 this program, the South Dakota Jobs grant program, was</div> <div>2 met originally by the legislature. The intent of the</div> <div>3 program was to administer and work in the same manner as</div> <div>4 the Reinvestment Payment Program, which is a separate</div> <div>5 program of GOED and administered by the board.</div> <div>6 And so the rules changes that have been proposed</div> <div>7 today and the response back from code counsel we're</div> <div>8 looking very closely at because of its potential impact</div> <div>9 on how those programs are run together. And so that's</div> <div>10 part of the reason for the request for deferral today,</div> <div>11 Mr. Chairman.</div> <div>12 ADMINISTRATIVE LAW JUDGE: Very good. Thank</div> <div>13 you.</div> <div>14 Any further commentary on these rules changes?</div> <div>15 Seeing no proponents, any opponents?</div> <div>16 Seeing or hearing none, this would then be put</div> <div>17 on that list for the September meeting.</div> <div>18 Any further rules in regards to this meeting</div> <div>19 today?</div> <div>20 MR. VALENTINE: No further rules will be</div> <div>21 presented for the board's consideration or for this</div> <div>22 hearing today.</div> <div>23 ADMINISTRATIVE LAW JUDGE: Okay. Then I'm going</div> <div>24 to -- I'm going to adjourn the rules hearing, and I'll</div> <div>25 let the board continue with their meeting.</div> <div>10</div>	<div>11</div> <div>1 ADMINISTRATIVE LAW JUDGE: We'll be off the</div> <div>2 record then in regards to the rules hearing.</div> <div>3 (The hearing is concluded at 10:28 a.m.)</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>25</div>
<div>10</div> <div>1 MR. SCHEIBE: Ms. Williamson, did you want to</div> <div>2 potentially entertain a motion?</div> <div>3 ADMINISTRATIVE LAW JUDGE: Oh, we can entertain</div> <div>4 a motion to move this to September, yes.</div> <div>5 CHAIRMAN ERICKSON: This is Jeff Erickson. I'd</div> <div>6 make the motion to defer all rules that were discussed</div> <div>7 today to our September board meeting.</div> <div>8 ADMINISTRATIVE LAW JUDGE: Is there a second?</div> <div>9 MR. KETTERING: Second.</div> <div>10 ADMINISTRATIVE LAW JUDGE: We have a motion and</div> <div>11 a second. All those in favor say aye.</div> <div>12 (All indicate aye.)</div> <div>13 ADMINISTRATIVE LAW JUDGE: Are there any</div> <div>14 opposed?</div> <div>15 (No audible response.)</div> <div>16 ADMINISTRATIVE LAW JUDGE: Is there one opposed?</div> <div>17 (No audible response.)</div> <div>18 ADMINISTRATIVE LAW JUDGE: Okay.</div> <div>19 CHAIRMAN ERICKSON: I don't believe there was</div> <div>20 anyone opposed. I think someone just groaned a little</div> <div>21 bit. You get our age like myself and Don Kettering, you</div> <div>22 just kind of grown when you move around.</div> <div>23 ADMINISTRATIVE LAW JUDGE: I wasn't sure what I</div> <div>24 heard there.</div> <div>25 MR. KETTERING: I'm still a young kid at heart.</div>	<div>12</div> <div>1 STATE OF SOUTH DAKOTA)</div> <div>2 :SS CERTIFICATE</div> <div>3 COUNTY OF SULLY)</div> <div>4</div> <div>5 I, CHERI MCCOMSEY WITTLER, a Registered</div> <div>6 Professional Reporter, Certified Realtime Reporter, and</div> <div>7 Notary Public in and for the State of South Dakota:</div> <div>8 DO HEREBY CERTIFY that as the duly-appointed</div> <div>9 stenographic court reporter, I took the proceedings had</div> <div>10 in the above-entitled matter on the 13th day of August,</div> <div>11 2025, and that the attached is a true and correct</div> <div>12 transcription of the proceedings so taken.</div> <div>13 Dated at Onida, South Dakota this 27th day of</div> <div>14 August, 2025.</div> <div>15</div> <div>16</div> <div>17</div> <div>18 /s/ Cheri McComsey Wittler</div> <div>19 Cheri McComsey Wittler</div> <div>20 Notary Public and</div> <div>21 Registered Professional Reporter</div> <div>22 Certified Realtime Reporter</div> <div>23</div> <div>24</div> <div>25</div>

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