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## **SOUTH DAKOTA COMMODITY CHECKOFF PROCESS**

The state of South Dakota has centralized some of its commodity checkoff collection process. Upon the urging of elevator managers for a simplification in the commodity checkoff process, the corn, soybean, oilseeds, and wheat checkoffs were combined into a single form. None of the other commodity groups were included in the centralized collection process.

First purchasers now complete one form per quarter for those four commodities and remit one check to the State Treasurer. The State Treasurer then deposits the remitted funds into a fund and forwards the remittance form to the Agriculture Department. The Agriculture Department then allocates the checkoff funds to the various commodity groups based on the information

contained in the remittance form. The Agriculture Department then forwards a copy of the remittance form to each of the commodity groups so the commodity groups can verify the information submitted by the first purchasers and be notified of the remittances collected on their behalf.

The State Treasurer is not reimbursed for its role in the process, but the Agriculture Department keeps a small administrative fee.

In addition to the centralized collection process, the commodity groups can contract with the South Dakota Public Utilities Commission for audits of grain elevators. Through the contracting of these audits, the commodity groups can have the Public Utilities Commission audit the grain elevator checkoff records.