



STATE OF SOUTH DAKOTA
OFFICE OF THE GOVERNOR

LARRY RHODEN | GOVERNOR

March 6, 2025

The Honorable Jon Hansen
Speaker of the House of Representatives
500 East Capitol Ave.
Pierre, SD 57501

Dear Mr. Speaker and Members of the House of Representatives,

I respectfully announce that I have signed House Bill 1052. Because of the high level of public interest in this bill in particular and this issue as a whole, I wish to outline my thought process to the legislature and to the people of South Dakota.

I am no stranger to discussions about eminent domain and property rights. I've fought for private property rights in this Capitol for over 20 years. When I was a legislator, I was the prime sponsor of legislation that reformed eminent domain to protect property rights. I don't just care about landowners – I am a landowner.

I also want to ensure that we keep South Dakota Open for Opportunity. That includes the opportunity for every family, every business owner, and every farmer or rancher to pursue their own American Dream.

But those dreams should not be pursued at the expense of others. Freedom ends when it infringes on the freedom of another. And when those situations arise, "governments are instituted among men" to protect the rights of the people.

Over the past few years, I've become thoroughly familiar with the details of a carbon dioxide pipeline proposed by Summit Carbon Solutions (Summit). I've had hundreds of conversations about this issue. I've met with all sides and heard all the arguments. I made my decision based on my own consideration of the facts, the policy arguments, legislative history, my own opinions and experience, and my judgment about what is best for South Dakota.

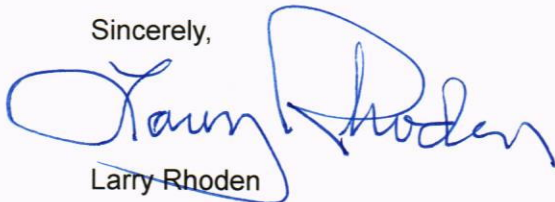
South Dakota landowners feel strongly that the threat of involuntary easements for the proposed carbon dioxide pipeline infringes on their freedoms and their property rights. I have said many times that Summit needs to earn back trust from South Dakota landowners. Unfortunately, once trust is lost, it is a difficult thing to regain.

One perspective in this debate is that we should not change the rules in the middle of the game, and I agree. However, as of this letter, the proposed carbon dioxide pipeline is still just that — a proposed project. Summit has not yet received their permit from the Public Utilities Commission.

HB 1052 does not kill the proposed project. Rather than viewing this legislation as an obstacle to the proposed project, I encourage Summit and others to view it as an opportunity for a needed reset. Voluntary easements for this proposed project will still be able to move forward and are not impacted by HB 1052. In fact, without the threat of eminent domain, the opportunity might finally be available for trust to be rebuilt and for more productive conversations to occur between Summit and South Dakota landowners.

We are keeping South Dakota Open for Opportunity, and HB 1052 will not change that. The ethanol industry will remain a crucial part of our state's economy and a key asset as we implement an all-of-the-above energy approach to restore American energy dominance. I am honored to serve as governor of all South Dakotans, and I will continue to support the private property rights of our people, and opportunity for value-added agriculture and our state as a whole.

Sincerely,



Larry Rhoden
Governor

cc: The Honorable Monae Johnson, Secretary of State
The Honorable Tonnis Venhuizen, Lieutenant Governor