

# State of South Dakota

EIGHTY-FIFTH SESSION  
LEGISLATIVE ASSEMBLY, 2010

900R0005

## HOUSE JOINT RESOLUTION NO. 1004

Introduced by: Representatives Dennert, Burg, Carson, Deadrick, Peters, Putnam, Tidemann, Wink, and Wismer and Senators Brown, Ahlers, Bartling, Haverly, Hundstad, Hunhoff (Jean), and Novstrup (Al)

1 A JOINT RESOLUTION, Proposing and submitting to the electors at the next general election  
2 amendments to Article XIII of the Constitution, relating to the trust fund created from the  
3 proceeds of the state cement enterprise sales.

4 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF SOUTH  
5 DAKOTA, THE SENATE CONCURRING THEREIN:

6 Section 1. That at the next general election held in the state, the following amendments to  
7 Article XIII, sections 20 and 21 of the Constitution of the State of South Dakota, as set forth in  
8 sections 2 and 3 of this Joint Resolution, which is hereby agreed to, shall be submitted to the  
9 electors of the state for approval.

10 Section 2. That Article XIII, section 20 of the Constitution of the State of South Dakota, be  
11 amended to read as follows:

12 § 20. The net proceeds derived from the sale of state cement enterprises shall be deposited  
13 by the South Dakota Cement Commission in a trust fund hereby created to benefit the citizens  
14 of South Dakota. The South Dakota Investment Council or its successor shall invest the trust



1 fund in stocks, bonds, mutual funds, and other financial instruments as provided by law. Each  
2 fiscal year beginning in fiscal year 2001, a transfer of twelve million dollars shall be made from  
3 the trust fund to the state general fund as provided by law.

4 Section 3. That Article XIII, section 21 of the Constitution of the State of South Dakota, be  
5 amended to read as follows:

6 § 21. ~~Except as provided in Article XIII, section 20 of the Constitution of the State of South~~  
7 ~~Dakota, the~~ The original principal of the trust fund created in Article XIII, section 20 shall  
8 forever remain inviolate. However Provided however, a transfer shall be made from the trust  
9 fund to the state general fund as provided by law, in FY2012 for eleven million dollars, in  
10 FY2013 for ten million dollars, in FY2014 for nine million dollars, and in FY2015 for eight  
11 million dollars without regard to any contrary provisions of law. Each fiscal year beginning in  
12 FY2016, the Legislature shall, by appropriation, make distributions from the difference between  
13 the twelve million dollar annual general fund transfer and five percent of the market value of  
14 the trust fund for the support of education, but not for the replacement of state aid to general  
15 education or special education, if the increase in the market value of the trust fund in that  
16 transfer from the trust fund to the state general fund an amount up to four percent of the average  
17 market value of the trust fund determined by adding the market value of the trust fund at the end  
18 of the sixteen most recent calendar quarters and dividing that sum by sixteen, if the market value  
19 of the trust fund at the end of that fiscal year was sufficient to maintain the original principal of  
20 the trust fund after such distributions. Beginning with fiscal year 2006, the market value of the  
21 trust fund shall be determined by adding the market value of the trust fund at the end of the  
22 sixteen most recent calendar quarters, and dividing that sum by sixteen.