State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

400U0239

HOUSE BILL NO. 1025

Introduced by: The Committee on Retirement Laws at the request of the South Dakota Retirement System

FOR AN ACT ENTITLED, An Act to revise certain actuarial and reporting requirements relating to the South Dakota Retirement System.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 3-12-122 be amended to read as follows:

3-12-122. The board shall review the funding of the system and shall make a report to the Governor and the Retirement Laws Committee if any of the following ~~exists~~ conditions exist as of the latest annual actuarial valuation of the system:

(1) The contributions do not equal the actuarial requirement for funding;

(2) The funded ratio is less than eighty percent, or a ratio based on the market value of assets is less than eighty percent; or

(3) The market value of assets is less than ninety percent of the actuarial value of assets.

The report shall include an analysis of the conditions ~~required for an improvement of the funded status of the system~~ and recommendations for the circumstances and timing for any future benefit changes, contribution changes, or ~~changes in actuarial assumptions~~ any other corrective action, or any combination of actions, to improve the conditions. Based on this report

170 copies were printed on recycled paper by the South Dakota Legislative Research Council at a cost of $.093 per page.

Insertions into existing statutes are indicated by underscores.
Deletions from existing statutes are indicated by ~~overstrikes~~.

and the recommendations of the board, the Legislature may adopt benefit changes, contribution changes, or any other corrective action, or any combination of actions, to improve the conditions set out in this section.

If any of the conditions set out ~~by~~ in this section exist for a period of three consecutive annual actuarial valuations, the board shall recommend benefit reductions, contribution changes, or ~~both, shall be recommended by the board to~~ any other corrective action, or any combination of actions, for approval by the Legislature and the Governor ~~and the Retirement Laws Committee~~, effective as soon as possible, to improve the ~~funded status of the system~~ conditions set out in this section.