

State of South Dakota

EIGHTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2014

400V0573

SENATE BILL NO. 158

Introduced by: The Committee on State Affairs at the request of the Office of the Governor

1 FOR AN ACT ENTITLED, An Act to revise certain funding provisions of the building South
2 Dakota fund.

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

4 Section 1. That § 1-16G-47 be amended to read as follows:

5 1-16G-47. There is hereby created the building South Dakota fund for the purpose of
6 building and reinvesting in South Dakota's economy and to create high quality jobs. Any money
7 in the building South Dakota fund is continuously appropriated to the Bureau of Finance and
8 Management. The state may accept and expend for the purposes of this chapter any funds
9 obtained from appropriations or any other source. Interest earned on money in the fund shall be
10 deposited into the fund.

11 If the Board of Economic Development approves a new or expanded facility with project
12 costs exceeding twenty million dollars to receive a reinvestment payment pursuant to the
13 provisions of §§ 1-16G-56 to 1-16G-68, inclusive, the Department of Revenue shall deposit all
14 of the contractor's excise tax imposed and paid pursuant to the provisions of chapter 10-46A or
15 10-46B on the project costs into the building South Dakota fund.



1 ~~—The state treasurer shall transfer twenty-five percent of the unclaimed property deposited in~~
 2 ~~the general fund pursuant to chapter 43-41B in state fiscal year 2015 into the building South~~
 3 ~~Dakota fund. The state treasurer shall transfer fifty percent of the unclaimed property deposited~~
 4 ~~in the general fund pursuant to chapter 43-41B in state fiscal year 2016 and each year thereafter~~
 5 ~~into the building South Dakota fund.~~

6 ~~—Notwithstanding the provisions of this section, no deposit or transfer to the building South~~
 7 ~~Dakota fund may be made by the commissioner of the Bureau of Finance and Management if~~
 8 ~~the projected ongoing revenues adopted by the Legislature for the prospective fiscal year are~~
 9 ~~insufficient to accommodate:~~

10 ~~—(1)—The statutory increases for state aid to K-12 general education, special education, and~~
 11 ~~the technical institutes;~~

12 ~~—(2)—Projected Title XIX and the Title XXI spending adjusted for increased provider~~
 13 ~~payments, increased utilization, or enrollment growth, and as affected by any~~
 14 ~~reduction in the Federal medical assistance percentage; and~~

15 ~~—(3)—The state employee salary policy increase, commensurate with the K-12 inflationary~~
 16 ~~increase, in addition to funds necessary to meet actuarially projected increases in~~
 17 ~~health insurance costs.~~

18 Section 2. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as
 19 follows:

20 Notwithstanding the provisions of § 1-16G-48, no more than ten million dollars may be
 21 dispersed from the building South Dakota fund in any one fiscal year.

22 Section 3. That chapter 4-7 be amended by adding thereto a NEW SECTION to read as
 23 follows:

24 Notwithstanding the provisions of §§ 4-7-32 and 4-7-39, on July first of each fiscal year or

1 at such time that the prior fiscal year general fund ending unobligated cash balance is
2 determined, the commissioner of the Bureau of Finance and Management shall transfer all prior
3 year unobligated cash as follows:

4 (1) If the collective cash balance of the budget reserve fund and the property tax
5 reduction fund at the end of the prior fiscal year is less than ten percent of the general
6 fund appropriations from the general appropriations act for the prior year, an amount
7 of unobligated cash shall be transferred to the budget reserve fund, so that the
8 collective balance of the budget reserve fund and property tax reduction fund equals
9 ten percent of the general appropriations from the general appropriations act for the
10 prior year;

11 (2) If the collective cash balance of the budget reserve fund and the property tax
12 reduction fund at the end of the prior fiscal year is equal to or greater than ten percent
13 of the general fund appropriations from the general appropriations act for the prior
14 year, or there is additional unobligated cash after the provisions in subdivision (1) are
15 satisfied, an amount of unobligated cash shall be transferred to the building South
16 Dakota fund, so that the collective cash balance of the building South Dakota fund,
17 the local infrastructure improvement grant fund, the economic development
18 partnership fund, the workforce education fund, the South Dakota housing
19 opportunity fund, and funds disbursed pursuant to the provisions of subdivision (5)
20 of § 1-16G-48, do not exceed fifteen million dollars; and

21 (3) If the collective balance of cash to the building South Dakota fund as referenced in
22 subdivision (2) exceeds fifteen million dollars, or if there is additional unobligated
23 cash remaining after the transfers in subdivisions (1) and (2), the remaining
24 unobligated cash shall be transferred to the budget reserve fund and property tax

1 reduction fund pursuant to the provisions of §§ 4-7-32 and 4-7-39.