

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

400W0205

HOUSE BILL NO. 1009

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

1 FOR AN ACT ENTITLED, An Act to limit the recovery of certain overpayments made by the
2 South Dakota Retirement System.

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

4 Section 1. That § 3-12-114 be amended to read as follows:

5 3-12-114. ~~Should~~ If any change or error in the records of the system or any participating unit
6 ~~result~~ results in any person receiving from the system ~~more or less than he~~ the person would
7 have been entitled to receive had the records been correct, the administrator shall correct ~~such~~
8 the error and, as far as practicable, shall adjust the payment ~~in such manner that the actuarial~~
9 ~~equivalent of the benefit to which such~~ to provide the person was the amount to which the
10 person is correctly entitled shall be paid.

11 If any change or error in the records of the system or any participating unit results in any
12 person receiving from the system more than the person would have been entitled to receive had
13 the records been correct, the administrator shall correct the error and, as far as practicable, shall
14 recover the overpayment to reflect the amount to which the person is correctly entitled. The
15 board shall promulgate rules, pursuant to chapter 1-26, concerning the methods by which an



1 overpayment shall be repaid, including an actuarial equivalent. However, the recovery of an
2 overpayment is limited to the amount attributable to any error that occurred during the six-year
3 period immediately prior to the discovery of the error. This limitation does not apply in the case
4 of fraud, intentional misrepresentation, material omission, or other fault on the part of a member
5 or beneficiary.