

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

400W0094

SENATE BILL NO. 10

Introduced by: The Committee on State Affairs at the request of the State Investment Council

1 FOR AN ACT ENTITLED, An Act to revise certain provisions concerning the classes of
2 investments used for state funds.

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

4 Section 1. That § 4-5-26 be amended to read as follows:

5 4-5-26. Money made available for investment may be invested in the following classes of
6 securities and investments and, except as provided by § 3-12-117, chapter 3-13, ~~the South~~
7 ~~Dakota Cement Plant retirement fund~~, chapter 13-63, the permanent trust fund containing the
8 net proceeds from the sale of state cement enterprises, the health care trust fund as provided in
9 S.D. Const., Art. XII, § 5, and the education enhancement trust fund as provided in S.D. Const.,
10 Art. XII, § 6, not otherwise:

- 11 (1) Direct and indirect obligations of the United States government;
- 12 (2) Agencies and instrumentalities of the United States government;
- 13 (3) Direct obligations of the State of South Dakota and any of its political subdivisions;
- 14 (4) Obligations consisting of notes, bonds, debentures, and certificates which are direct
15 obligations of a solvent corporation or trust existing under the laws of the United



1 States or any state thereof, if such investments are rated in the four highest
2 classifications established by at least two standard rating services at the time of
3 purchase; ~~or~~

4 (5) Savings accounts, share accounts, certificates of deposit of banks, savings and loan
5 associations, building and loan associations, and bankers' acceptances; or

6 (6) In addition to the investments authorized by subdivisions (1) to (5) of this section,
7 inclusive, the investment council may also allocate a sum certain of state public funds
8 for investment in the accounts and certificates of South Dakota banks and
9 associations. This sum shall initially be offered to South Dakota banks and
10 associations, and if not initially fully subscribed, the investment officer shall
11 immediately reoffer the unsubscribed sum to other qualified public depositories
12 defined by subdivision 4-6A-1(7).