

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

400W0093

SENATE BILL NO. 9

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 regarding the transfer of funds
2 administered by the state investment officer.

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

4 Section 1. That § 4-5-30 be amended to read as follows:

5 4-5-30. The state investment officer, utilizing the facilities of the state budgetary accounting
6 system, shall pool cash accounts within the funds enumerated in § 4-5-23. The Appropriations
7 Committee of the Legislature, upon recommendations from the commissioner of finance and
8 management, shall certify those funds which are to participate in the interest income of the
9 pooled investments. The state investment officer shall credit the gain or interest due as a result
10 of investments made pursuant to § 4-5-29 on a pro rata basis to the participating funds in the
11 same ratio as the average daily cash balance of each fund bears to the total average cash balance
12 of all funds.

13 ~~At the beginning of~~ If requested by the state investment officer during each fiscal year, the
14 state treasurer shall transfer money from the South Dakota retirement fund, ~~cement plant~~
15 ~~retirement fund~~, health care trust fund, education enhancement trust fund, the trust fund derived



1 from the sale of state cement enterprises, the general fund portion of the pooled income account
2 for the permanent school and other educational fund provided for in S.D. Const., Art. VIII, and
3 any other specific fund approved by the Bureau of Finance and Management, other than the state
4 pooled fund ~~account~~, to the investment council expense fund, ~~which is hereby created~~ account
5 in an amount ~~equal to~~ not to exceed the ratio of the average assets in each fund for the previous
6 fiscal year to the total average assets managed by the investment council, other than the state
7 pooled fund, for the previous fiscal year multiplied by the difference between the budget of the
8 investment council for ~~the~~ each fiscal year and the total of the current fiscal year beginning cash
9 balance in the investment council expense account. ~~At the beginning of~~ plus two hundredths of
10 a percent of the prior fiscal year's average assets in the state pooled fund. If requested by the
11 state investment officer during each fiscal year, the state treasurer shall transfer money from the
12 pooled income account to the investment council expense account in an amount ~~equal to the~~
13 ~~ratio of the average daily cash balance of the pooled fund account for the previous fiscal year~~
14 ~~to total average assets managed by the investment council for the previous fiscal year multiplied~~
15 ~~by the difference between the budget of the investment council for the fiscal year and the~~
16 ~~beginning cash balance in the investment council expense account. At the beginning of each~~
17 ~~fiscal year, the state treasurer shall transfer money from the general fund portion of the pooled~~
18 ~~income account to the investment council expense account in an amount equal to the ratio of~~
19 ~~the average daily cash balance of the permanent school and other educational fund provided for~~
20 ~~in Article VIII of the Constitution for the previous fiscal year to total average assets managed~~
21 ~~by the investment council for the previous fiscal year multiplied by the difference between the~~
22 ~~budget of the investment council for the fiscal year and the beginning cash balance in the~~
23 ~~investment council expense account~~ not to exceed two hundredths of a percent of the prior fiscal
24 year's average assets in the state pooled fund. The state investment officer may make multiple

- 1 transfer requests during the fiscal year, with each request being proportionate among the funds,
- 2 provided that the total transfers do not exceed the amounts provided by this section.