

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

579X0609

HOUSE BILL NO. 1224

Introduced by: Representatives Partridge, Anderson, Bolin, Cronin, Dryden, Gibson, Harrison, Holmes, Jensen (Alex), May, Mickelson, Rasmussen, Romkema, Rozum, Schoenbeck, Schoenfish, Soli, Stalzer, Tulson, Wiik, Wollmann, and Zikmund and Senators Solano, Cammack, Greenfield (Brock), Haverly, Heineman (Phyllis), Monroe, Peters, Soholt, Sutton, Tieszen, and White

1 FOR AN ACT ENTITLED, An Act to authorize the Investment Council to enter into an
2 agreement to allow South Dakota residents to participate in an ABLE savings program to
3 support individuals with disabilities.

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

5 Section 1. That the code be amended by adding a NEW SECTION to read:

6 Terms used in this Act mean:

7 (1) "ABLE savings program," a qualified savings program established under section
8 529A of the Internal Revenue Code, 26 U.S.C. 529A;

9 (2) "Council," the South Dakota Investment Council.

10 Section 2. That the code be amended by adding a NEW SECTION to read:

11 When determining the eligibility or amount of benefits to be received by a designated
12 beneficiary of an ABLE savings program, a state or local agency may not consider a
13 contribution to an account in a qualified ABLE savings program, earnings on the contribution,



1 or a distribution from the account for qualified disability expenses as defined in section
2 529A(e)(5) of the Internal Revenue Code, U.S.C. 529A(e)(5), as of January 1, 2016.

3 Section 3. That the code be amended by adding a NEW SECTION to read:

4 The council may enter into an agreement with one or more other states to allow residents
5 of this state to participate in a qualified ABLE saving program under such terms and conditions
6 as the council determines. The state investment officer and the employees of the Division of
7 Investment shall assist the council in carrying out its duties under this Act.

8 Section 4. That the code be amended by adding a NEW SECTION to read:

9 The council may terminate any agreement with another state or enter into an agreement with
10 other states at any time for good cause.

11 Section 5. That the code be amended by adding a NEW SECTION to read:

12 The Department of Human Services and any other state agency may exchange data with any
13 state the council has entered into an agreement with to carry out the purposes of this Act.

14 Section 6. That the code be amended by adding a NEW SECTION to read:

15 Nothing in this Act creates any obligation of the council, the state, state investment officer,
16 the Division of Investment, or any agency or instrumentality of the state to guarantee for the
17 benefit of any account owner or designated beneficiary with respect to the return of principal,
18 rate of interest or other return on any account, or payment of interest or other return on any
19 account.

20 Section 7. That the code be amended by adding a NEW SECTION to read:

21 The council, each council member, the state investment officer, and each employee of the
22 Division of Investment personally is immune from any and all liability for actions taken in good
23 faith in the discharge of the council's responsibilities under this Act.