

State of South Dakota

SEVENTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 1999

400C0350

SENATE BILL NO. 12

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

1 FOR AN ACT ENTITLED, An Act to improve the survivor benefit for a surviving spouse of
2 a member of the South Dakota Retirement System.

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

4 Section 1. That § 3-12-94 be amended to read as follows:

5 3-12-94. Upon the death of a retiree or any member who has reached ~~his~~ normal retirement
6 age, ~~his~~ the surviving spouse ~~shall be~~ is eligible to receive a normal retirement allowance, payable
7 in monthly installments, equal to ~~fifty~~ sixty percent of the retirement allowance that the member
8 was receiving or was eligible to receive at the time of ~~his~~ death.

9 Section 2. That § 3-12-95 be amended to read as follows:

10 3-12-95. On the death of a contributing member after July 1, 1974, and prior to the earlier
11 of ~~his~~ the member attaining ~~his~~ normal retirement age or ~~his~~ the member's retirement, who has
12 one or more years of credited service; or if there has been a break in the member's employment
13 of more than one year, one-half year of credited service having been performed after the end of
14 the last such break; or if the member was receiving a disability allowance which commenced after
15 July 1, 1974, the following benefits shall be paid:

16 (1) A surviving spouse having the care of children shall receive an annual amount, payable

1 in monthly installments, equal to forty percent of the highest annual compensation
2 earned by the member during any one of the last three years of service, plus ten
3 percent of such compensation for each child to a maximum of six such children;

4 (2) The conservator of each child, on whose account there is no benefit payable under
5 subdivision (1), shall receive on behalf of each child, to a maximum of five such
6 children, an annual amount, payable in monthly installments, equal to twenty percent
7 of the highest annual compensation earned by the member during any one of the last
8 three years of service;

9 (3) If the sum of benefits payable under subdivisions (1) and (2) exceeds one hundred
10 percent of the highest annual compensation earned by the member during any one of
11 the last three years of service, the benefits payable under both subdivisions (1) and (2)
12 shall be proportionally reduced so that the total of the benefits is equal to one hundred
13 percent of the highest annual compensation earned by the member during any one of
14 the last three years of service;

15 (4) If there are no benefits being paid under subdivision (1) and the member's
16 accumulated contributions have not been withdrawn pursuant to § 3-12-97, the
17 spouse who has reached age sixty-five shall receive a monthly payment equal to ~~forty~~
18 sixty percent of the amount which would have been payable to the deceased member
19 at ~~his~~ normal retirement age based on the member's credited and projected service and
20 projected compensation. The benefit payable under this subdivision shall be increased
21 by application of the improvement factor for time which elapses between the date the
22 member would have reached ~~his~~ normal retirement age and the date benefits
23 commence to the spouse.

24 Family benefits begin to accrue on the first day of the month following the death of the
25 member.