

State of South Dakota

SEVENTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2000

995D0027

HOUSE BILL NO. 1002

Introduced by: Representatives Michels, Davis, Diedrich (Larry), Fiegen, and Fischer-Clemens and Senators Olson, Albers, Brown (Arnold), Lawler, and Rounds at the request of the Interim Retirement Laws Committee

1 FOR AN ACT ENTITLED, An Act to provide for employer contributions to the South Dakota
2 deferred compensation plan for certain employees.

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

4 Section 1. That § 3-13-55 be amended to read as follows:

5 3-13-55. The definitions contained in § 3-12-47 apply to this chapter unless the context
6 clearly otherwise requires. In addition the following terms mean:

7 (1) "Plan," the South Dakota deferred compensation plan created pursuant to this
8 chapter; ~~and~~

9 (2) "Accumulated deferred compensation," compensation deferred by a participant in the
10 plan, plus any investment return thereon; and

11 (3) "Electing participating unit," a participating unit, as defined in § 3-12-47, which elects
12 to make deferrals to the plan on behalf of a participating employee. Any political
13 subdivision or unit of state government, including the legislative branch of state
14 government, the judicial branch of state government, the executive branch of state
15 government, the Board of Regents, or the elected constitutional offices, shall be
16 considered as a separate participating unit for the purposes of this Act. To become an

1 electing participating unit, a participating unit shall notify the system of the decision
2 in writing at least thirty days prior to the date the electing unit intends to begin
3 making deferrals to the plan. If the participating unit is the legislative branch of state
4 government, the judicial branch of state government, the executive branch of state
5 government, the Board of Regents, or a constitutional office, the written notice shall
6 be delivered by the Executive Board of the Legislative Research Council, the Chief
7 Justice, the Governor, the executive director of the Board of Regents, or the
8 constitutional officer, respectively. If the participating unit is a political subdivision
9 or a public corporation, the participating unit's governing body shall make the decision
10 by resolution and shall deliver a copy of the resolution as written notification.

11 Section 2. That chapter 3-13 be amended by adding thereto a NEW SECTION to read as
12 follows:

13 An electing participating unit may determine what amounts and under what circumstances
14 the unit will make deferrals to the plan on behalf of a participating employee. The electing
15 participating unit may match a fixed amount per dollar of a participating employee's deferrals
16 subject to a maximum employer match of one and one-half percent of the participating
17 employee's compensation per year. An electing participating unit may only make deferrals on
18 behalf of Class A members as defined in § 3-12-47. No matching deferrals may be made
19 retroactively on participating employee deferrals which were made before the participating unit
20 became an electing participating unit.