

A JOINT RESOLUTION, Proposing and submitting to the electors at a special election designated by the Seventy-sixth Legislature, an amendment to Article XII of the Constitution of the State of South Dakota, relating to the creation and administration of trust funds.

BE IT RESOLVED BY THE SENATE OF THE STATE OF SOUTH DAKOTA, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN:

Section 1. That at the election designated by the Seventy-fifth Legislature, meeting in special session, to be held in the state on April 10, 2001, the following amendment to Article XII of the Constitution of the State of South Dakota, as set forth in section 2 of this Joint Resolution, which is hereby agreed to, shall be submitted to the electors of the state for approval.

Section 2. That Article XII of the Constitution, of the State of South Dakota, be amended by adding thereto NEW SECTIONS to read as follows:

§ 5. There is hereby created in the state treasury a trust fund named the health care trust fund. The state treasurer shall deposit into the health care trust fund any funds on deposit in the intergovernmental transfer fund as of July 1, 2001, and thereafter any funds appropriated to the health care trust fund as provided by law. The South Dakota Investment Council or its successor shall invest the health care trust fund in stocks, bonds, mutual funds, and other financial instruments as provided by law. Beginning in fiscal year 2003, and each year thereafter, the state treasurer shall make a distribution from the health care trust fund into the state general fund to be appropriated by law for health care related programs. The calculation of the distribution shall be defined by law and may promote growth of the fund and a steadily growing distribution amount. The health care trust fund may not be diverted for other purposes nor may the principal be invaded unless appropriated by a three-fourths vote of all the members-elect of each house of the Legislature.

§ 6. There is hereby created in the state treasury a trust fund named the education enhancement trust fund. The state treasurer shall deposit into the education enhancement trust fund any funds

received as of July 1, 2001, and funds received thereafter by the state pursuant to the Master Settlement Agreement entered into on November 23, 1998, by the State of South Dakota and major United States tobacco product manufacturers or the net proceeds of any sale or securitization of rights to receive payments pursuant to the Master Settlement Agreement, any funds in the youth-at-risk trust fund as of July 1, 2001, and thereafter any funds appropriated to the education enhancement trust fund as provided by law. The South Dakota Investment Council or its successor shall invest the education enhancement trust fund in stocks, bonds, mutual funds, and other financial instruments as provided by law. Beginning in fiscal year 2003, and each year thereafter, the state treasurer shall make a distribution from the education enhancement trust fund into the state general fund to be appropriated by law for education enhancement programs. The calculation of the distribution shall be defined by law and may promote growth of the fund and a steadily growing distribution amount. The education enhancement trust fund may not be diverted for other purposes nor may the principal be invaded unless appropriated by a three-fourths vote of all the members-elect of each house of the Legislature.

Section 3. The provisions of section 2 of this Joint Resolution shall be effective on July 1, 2001.

An Act to Proposing and submitting to the electors at a special election designated by the Seventy-sixth Legislature, an amendment to Article XII of the Constitution of the State of South Dakota, relating to the creation and administration of trust funds.

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I certify that the attached
Resolution originated in the

SENATE as Joint Resolution No. 4

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State

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Senate Joint Resolution No. 4
File No. _____
Chapter No. _____