

State of South Dakota

SEVENTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2002

400H0336

SENATE BILL NO. 40

Introduced by: The Committee on State Affairs at the request of the Investment Council

1 FOR AN ACT ENTITLED, An Act to allocate expenses of the investment council to certain
2 trust funds.

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 each fiscal year the state treasurer shall transfer money from the South
14 Dakota retirement fund, cement plant retirement fund, health care trust fund, education
15 enhancement trust fund, the trust fund derived from the sale of state cement enterprises, and any



1 other specific fund approved by the Bureau of Finance and Management, other than the state
2 pooled fund account, to the investment council expense fund, which is hereby created in an
3 amount equal to the ratio of the average assets in each fund for the previous fiscal year to the
4 total average assets managed by the investment council for the previous fiscal year multiplied by
5 the difference between the budget of the investment council for the fiscal year and the beginning
6 cash balance in the investment council expense account. At the beginning of each fiscal year the
7 state treasurer shall transfer money from the pooled income account to the investment council
8 expense account in an amount equal to the ratio of the average daily cash balance of the pooled
9 fund account for the previous fiscal year to total average assets managed by the investment
10 council for the previous fiscal year multiplied by the difference between the budget of the
11 investment council for the fiscal year and the beginning cash balance in the investment council
12 expense account. At the beginning of each fiscal year, the state treasurer shall transfer money
13 from the general fund portion of the pooled income account to the investment council expense
14 account in an amount equal to the ratio of the average daily cash balance of the permanent school
15 and other educational fund provided for in Article VIII of the Constitution for the previous fiscal
16 year to total average assets managed by the investment council for the previous fiscal year
17 multiplied by the difference between the budget of the investment council for the fiscal year and
18 the beginning cash balance in the investment council expense account.