

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

554J0428

HOUSE BILL NO. 1035

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

1 FOR AN ACT ENTITLED, An Act to revise the range of interest rates paid on certain payouts
2 from the South Dakota Retirement System.

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

4 Section 1. That subdivision (27) of § 3-12-47 be amended to read as follows:

5 (27) "Effective rate of interest," interest at an annually compounded rate to be established
6 by the board for each fiscal year. The rate shall be no greater than ninety percent of
7 the average ninety-one day United States treasury bill rate for the immediately
8 preceding calendar year. ~~In and in~~ no event may the rate be ~~less than five percent or~~
9 ~~more than ten percent~~ the rate established by the board pursuant to § 3-12-121 for
10 investment return for purposes of the actuarial valuation. If a member withdraws
11 contributions pursuant to § 3-12-76, 3-12-76.1, or 3-12-77, or if benefits are payable
12 under § 3-12-110, the interest shall be prorated on a monthly basis to the first of the
13 month of the withdrawal. With respect to amounts due the system under §§ 3-12-69,
14 3-12-69.3, 3-12-80, 3-12-83 and 3-12-84, the effective rate of interest shall be the
15 rate established by the board pursuant to § 3-12-121 for investment return for



1 purposes of the actuarial valuation;

2