

State of South Dakota

EIGHTIETH
LEGISLATIVE ASSEMBLY, 2005

400L0276

SENATE ENGROSSED NO. **HB 1028** - 02/24/2005

Introduced by: The Committee on Appropriations at the request of the Board of Regents

1 FOR AN ACT ENTITLED, An Act to make an appropriation to fund the South Dakota
2 opportunity scholarships, to provide for long-term funding of the scholarships, to revise
3 certain scholarship provisions, and to declare an emergency.

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

5 Section 1. There is hereby appropriated to the Board of Regents one hundred seventy-seven
6 thousand dollars (\$177,000), or so much thereof as may be necessary, from moneys deposited
7 in the general fund from the earnings of the cement plant trust fund created pursuant to article
8 XIII, § 20 of the South Dakota Constitution. The Board of Regents shall award so much of the
9 moneys appropriated by this Act as may be necessary to support college freshmen participating
10 in the South Dakota Opportunity Scholarship program during the spring 2005 term.

11 Section 2. That § 4-5-29.2 be amended to read as follows:

12 4-5-29.2. Pursuant to S.D. Const., Art. XII, § 6, the state investment officer shall determine
13 the market value of the education enhancement trust fund as of December 31, 2003, and each
14 calendar year thereafter less the investment expenses transferred pursuant to § 4-5-30. The state
15 investment officer shall calculate an amount equal to four percent of that market value, without
16 invading principal, as eligible for distribution. For the purpose of this section, the term,



1 principal, means the sum of all contributions to the fund. Beginning with the distribution in
2 fiscal year 2007, the market value shall be determined by adding the market value of the trust
3 fund at the end of the sixteen most recent calendar quarters as of December thirty-first, and
4 dividing the sum by sixteen. Upon notice of that amount by the state investment officer, the state
5 treasurer shall transfer the amount from the education enhancement trust fund to the state
6 general fund as soon as practicable after July first of the next fiscal year. After July first of each
7 fiscal year, the state treasurer shall transfer \$5,000,000, or so much thereof as may be necessary
8 to finance scholarship awards pursuant to § 13-55-33 for the current fiscal year, from the state
9 general fund to the South Dakota opportunity scholarship fund."

10 Section 3. That § 13-55-33 be amended to read as follows:

11 13-55-33. One-half of the annual scholarship award shall be paid to public institutions on
12 behalf of eligible students there enrolled or directly to eligible students enrolled at nonpublic
13 institutions at the beginning of the fall semester and the other half shall be paid at the beginning
14 of the spring semester. The amount of the annual award shall be as follows:

- 15 (1) One thousand dollars for the first year of attendance;
- 16 (2) One thousand dollars for the second year of attendance;
- 17 (3) One thousand dollars for the third year of attendance;
- 18 (4) ~~Two~~ One thousand dollars for the fourth year of attendance.

19 ~~If, in any year, the total funds available to finance the scholarship awards are insufficient to~~
20 ~~permit each eligible recipient to receive the full amount provided in this section, the available~~
21 ~~moneys shall be prorated and distributed to each recipient in proportion to the entitlement~~
22 ~~contemplated by this section.~~ The total amount of the scholarship may not exceed ~~five~~ four
23 thousand dollars.

24 Section 4. That § 13-55-35 be amended to read as follows:

1 13-55-35. The South Dakota opportunity scholarship fund is created in the state treasury.
2 The ~~Board of Regents may allocate funds~~ fund may receive funds appropriated by the
3 Legislature or funds generated by gifts, donations, grants, or endowments for the purposes of
4 §§ 13-55-30 to 13-55-36, inclusive, and the Board of Regents may allocate such funds to
5 students qualifying pursuant to § 13-55-31.

6 Section 5. Whereas, this Act is necessary for the support of the state government and its
7 existing public institutions, an emergency is hereby declared to exist, and section 1 of this Act
8 shall be in full force and effect from and after its passage and approval.