AN ACT

ENTITLED, An Act to revise certain provisions of the additional survivor protection program within the South Dakota Retirement System.

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

Section 1. That § 3-12-104 be amended to read as follows:

3-12-104. Within three hundred sixty-five days of becoming a member, within ninety days of attaining age thirty-five, or within ninety days of the first anniversary of a marriage, a member may elect to provide the member's spouse with additional survivor protection by increasing the member's contribution by an additional one and two-tenths percent of compensation, which additional contribution may not be matched by the member's employer. The additional contribution shall commence with the first payroll period following the date of the election. It shall continue until the earlier of the member's spouse attaining age sixty-five, the death or disability of the member, the death of the spouse, termination of employment or the termination of the marriage as defined in the rules of the board of trustees. The additional contribution may not be treated as a member contribution for purposes of determining the amount of refund of accumulated contributions. However, the contributions paid prior to January 1, 1979, shall be considered part of accumulated contributions for determining the amount of refund if the member terminates employment. Notwithstanding any other provision of this section, a member who is currently contributing to the system may terminate the additional survivor protection under this section, but all funds contributed for the additional survivor protection shall remain with the system and may not be considered as part of the member's accumulated contributions. For the purposes of implementing this section, the eight-tenths of one percent contribution for additional survivor protection was applied to all compensation received on or after January 1, 1979, regardless of when that compensation was earned, and the one and two-tenths percent of compensation shall be applied to all compensation

received on or after July 1, 2004, regardless of when that compensation was earned.

Section 2. That § 3-12-104.1 be amended to read as follows:

3-12-104.1. The additional survivor protection option granted under § 3-12-104 is hereby extended to all current contributing members of the system for a period of three months commencing October 1, 1990, and ending December 31, 1990. In no event may the additional survivor protection be made available to a terminated vested member or to a member receiving a retirement allowance from the system. However, the additional survivor protection option may not be so extended again at any time after June 30, 2004.

Section 3. That § 3-12-105 be amended to read as follows:

3-12-105. The additional survivor protection payable under § 3-12-104, on the death of the member or expiration of benefits that may have been paid pursuant to subdivision 3-12-95(1) because there is no eligible child, entitles the surviving spouse of the member to an annual amount, payable in monthly installments, equal to forty percent of the member's final compensation multiplied by the improvement factor for each full twelve-month period between the earlier of the date of death or disability of the member and the date the payment of the benefit is due to commence. The additional survivor protection allowance shall continue until the surviving spouse dies or attains age sixty-five, whichever is earlier.

Section 4. The provisions of section 3 of this Act do not apply to benefits being paid pursuant to § 3-12-105 prior to July 1, 2004.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1034

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Chief Clerk

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_____
Speaker of the House

Attest:

_____
Chief Clerk

_____
President of the Senate

Attest:

_____
Secretary of the Senate

House Bill No. 1034
File No. ____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20___

_____
Governor

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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