



## 2025 South Dakota Legislature

# Senate Bill 155

SENATE APPROPRIATIONS ENGROSSED

Introduced by: **Senator Howard**

1 **An Act to reduce the amount of net receipts of unclaimed property deposited into**  
 2 **the general fund.**

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

4 **Section 1. That § 43-41B-24 be AMENDED:**

5 **43-41B-24.** Except as otherwise provided by this section, the administrator shall  
 6 promptly deposit in the general fund ~~of this state~~ all moneys received under this chapter,  
 7 including the proceeds from the sale of abandoned property under § 43-41B-23, not to  
 8 exceed the general fund contribution limit, as defined in section 3 of this Act, in a fiscal  
 9 year.

10 The administrator shall ~~retain~~ maintain in a separate ~~trust~~ unclaimed property  
 11 operating fund an amount not more than five hundred thousand dollars from which the  
 12 administrator must make prompt payment of claims duly allowed. Before making the  
 13 deposit, the administrator must record the name and last known address of each person  
 14 appearing from the holders' reports to be entitled to the property and the name and last  
 15 known address of each insured person or annuitant and beneficiary, and with respect to  
 16 each policy or contract listed in the report of an insurance company, its number, the name  
 17 of the company, and the amount due. The record must be available for public inspection  
 18 at all reasonable business hours.

19 **Section 2. That § 43-41B-24.1 be AMENDED:**

20 **43-41B-24.1.** Money in the unclaimed property ~~trust~~ operating fund for the  
 21 payment of claims and costs incurred in examining records of holders of property and in  
 22 collecting the property from those holders is continuously appropriated. Expenditures for  
 23 claims and costs incurred in examining records of holders of property and in collecting the  
 24 property from those holders must be paid upon warrants drawn by the state auditor  
 25 pursuant to vouchers authorized by the state treasurer. All moneys paid out by the state

1 treasurer for claims and costs incurred in examining records of holders of property and in  
2 collecting the property from those holders under chapter 43-41B must be set forth in an  
3 informational budget as described in § 4-7-7.2 and be annually reviewed by the  
4 Legislature.

5 **Section 3. That a NEW SECTION be added to chapter 43-41B:**

6 For purposes of § 43-41B-24, "general fund contribution limit" means an amount  
7 equal to the cost of operational expenses for the Unclaimed Property Division in each of  
8 the following fiscal years plus:

9 (1) For fiscal year 2026, \$61,384,827;

10 (2) For fiscal year 2027, \$58,000,000;

11 (3) For fiscal year 2028, \$54,000,000;

12 (4) For fiscal year 2029, \$50,000,000;

13 (5) For fiscal year 2030, \$46,000,000;

14 (6) For fiscal year 2031, \$42,000,000;

15 (7) For fiscal year 2032, \$38,000,000;

16 (8) For fiscal year 2033, \$34,000,000;

17 (9) For fiscal year 2034, \$30,000,000; and

18 (10) For fiscal year 2035 and each fiscal year thereafter, \$25,000,000.

19 **Section 4. That a NEW SECTION be added to chapter 43-41B:**

20 There is created in the state treasury the trust fund for unclaimed property. The  
21 fund consists of any net receipts from unclaimed property that exceed the maximum  
22 deposit requirements of section 3 of this Act.

23 The state treasurer shall administer the fund. The purpose of the fund is to provide  
24 for the return of unclaimed property, provide for the payment of audit expenses, and  
25 deposit interest earned into the general fund, in accordance with section 5 of this Act.  
26 Interest earnings from the fund must be budgeted through the general appropriation bill  
27 as provided for in section 5 of this Act or expended by special appropriation. Moneys  
28 comprising the principal amount in the trust fund for unclaimed property may not be  
29 appropriated by the general appropriations act or by special appropriation.

30 **Section 5. That a NEW SECTION be added to chapter 43-41B:**

1           Beginning in fiscal year 2026 and each fiscal year thereafter, the state treasurer  
2 shall, after paying from the unclaimed property operating fund all claims and any  
3 administrative costs associated with the sale of unclaimed property, deposit into the  
4 general fund the net receipts from unclaimed property, up to the general fund contribution  
5 limit, as established in section 3 of this Act.

6           Any net receipts from unclaimed property that exceed the general fund contribution  
7 limit as defined in section 3 of this Act, must be deposited into the trust fund for unclaimed  
8 property.

9           The state investment officer shall calculate an amount equal to four percent of the  
10 market value of the trust fund for unclaimed property, without invading principal, as  
11 eligible for distribution to the general fund. Beginning with the distribution in fiscal year  
12 2031, the market value must be determined by adding the market value of the trust fund  
13 at the end of the sixteen most recent calendar quarters as of December thirty-first, and  
14 dividing the sum by sixteen. Upon notice of the amount by the state investment officer,  
15 the state treasurer shall transfer the amount from the trust fund to the general fund as  
16 soon as practicable after July first of the next fiscal year.