

Committee: House Committee on Appropriations

Monday, February 24, 2020 10:00 AM

Roll Call

Present: Rep. Bartels, Rep. Gross, Rep. Howard, Rep. Koth, Rep. Sue Peterson,
Rep. Post, Rep. Saba, Rep. Hunhoff, and Rep. Karr

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Representative Karr

HB 1172 : require the annual submission of a zero-based budget from certain departments or budget units.

Presented by: Representative Taffy Howard

Proponents: Senator Jack Kolbeck
Representative Steve Livermont

Opponents: Derek Johnson, Bureau of Finance and Management

MOTION: DEFER HB 1172 TO THE 41ST LEGISLATIVE DAY

Moved by: Bartels

Second by: Hunhoff

Action: Was not acted on.

MOTION: SUBSTITUTE MOTION: DO PASS HB 1172

Moved by: Sue Peterson

Second by: Post

Action: Prevailed by roll call vote (6-3-0-0)

Voting Yes: Gross, Howard, Sue Peterson, Post, Saba, and Karr

Voting No: Bartels, Koth, and Hunhoff

HB 1230 : provide for an increased distribution from the education enhancement trust fund in fiscal year 2021.

THE CHAIR DEFERRED HB 1230 UNTIL TUESDAY, FEBRUARY 25TH 2020

HJR 5003 : Proposing and submitting to the electors at the next general election, an amendment to Article XII of the Constitution of the State of South Dakota, relating to prohibiting the general appropriation bill from reappropriating or transferring funds that are in special funds and establishing rules pertaining to the administration of special funds.

Presented by: Representative Taffy Howard

At the request of Chair Karr, the amendment of HJR5003D was voted upon by roll call.

MOTION: AMEND HJR 5003

HJR5003D

On page 1, line 3, of the Introduced bill, delete " prohibiting the general appropriation bill from reappropriating or transferring funds that are in special funds and establishing rules pertaining to the administration of special funds" and insert " the creation of the property tax relief trust fund and to provide for the transfer of unobligated cash"

On the Introduced bill, delete everything after the enacting clause and insert:

"

Section 1. That at the next general election held in the state, the following amendment to Article XII of the Constitution of the State of South Dakota, as set forth in sections 2 and 3 of this Joint Resolution, which is hereby agreed to, shall be submitted to the electors of the state for approval.

Section 2. That Article XII of the Constitution of the State of South Dakota, be amended by adding a NEW SECTION to read:

§ 8. Property tax relief trust fund -- Establishment -- Investment -- Purposes -- Appropriations -- Limitations.

There is hereby created in the state treasury a trust fund named the property tax relief trust fund. The South Dakota Investment Council or its successor shall invest the property tax relief trust fund in stocks, bonds, mutual funds, and other financial instruments as provided by law. Beginning in fiscal year 2030, and each year thereafter, the state treasurer shall make a distribution from the property tax relief trust fund into the state general fund to be appropriated by law to reduce property taxes in the State. The calculation of the distribution shall be defined by law and may promote growth of the fund and a steadily growing distribution amount. The property tax relief trust fund may not be diverted for other purposes nor may the principal be invaded unless appropriated by a three-fourths vote of all the members-elect of each house of the Legislature.

Section 3. That Article XII of the Constitution of the State of South Dakota, be amended by adding a NEW SECTION to read:

§ 9. General fund unobligated cash -- Transfer.

On July first of each fiscal year, or at such time as the prior fiscal year general fund unobligated cash is determined, the state treasurer shall transfer all prior year unobligated cash as follows:

- (1) An amount not more than fifty percent of the general fund unobligated cash, into the budget reserve fund provided that the combined cash balance of the budget reserve fund and the general revenue replacement fund does not exceed ten percent of the general fund appropriations from the general appropriation act for the prior fiscal year.
- (2) After the requirements of subdivision (1) are met, the state treasurer shall transfer the remaining general fund unobligated cash into the property tax relief trust fund provided that the balance of the property tax relief trust fund does not exceed twenty percent of the general fund appropriations from the general appropriation act for the prior fiscal year; and
- (3) If any unobligated cash balance remains after the requirements of subdivision (2) are met, the state treasurer shall transfer the remaining general fund unobligated cash amount into the budget reserve fund provided that the balance of the budget reserve fund does not exceed thirty percent of the general fund appropriations from the general appropriation act for the prior fiscal year.

"

Moved by: Howard

Second by: Sue Peterson
Action: Prevailed by roll call vote (6-3-0-0)

Voting Yes: Gross, Howard, Sue Peterson, Post, Saba, and Karr

Voting No: Bartels, Koth, and Hunhoff

THE CHAIR DEFERRED HJR 5003 UNTIL TUESDAY, FEBRUARY 25TH 2020

HB 1281 was withdrawn by the Prime Sponsor Representative Sue Peterson.

MOTION: ADJOURN

Moved by: Bartels
Second by: Hunhoff
Action: Prevailed by voice vote

Mary Turner, Committee Secretary

/s/ CHRIS G. KARR
Chris G. Karr, Chair