



2020 South Dakota Legislature

House Joint Resolution 5003

HOUSE APPROPRIATIONS ENGROSSED

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: **Representative Howard**

1 **A JOINT RESOLUTION, Proposing and submitting to the electors at the next general**
 2 **election, an amendment to Article XII of the Constitution of the State of South**
 3 **Dakota, relating to the creation of the property tax relief trust fund and to**
 4 **provide for the transfer of unobligated cash.**

5 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF SOUTH
 6 DAKOTA, THE SENATE CONCURRING THEREIN:

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

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

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

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

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

3 **§ 9. General fund unobligated cash --Transfer.**

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

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