

# State of South Dakota

SEVENTY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 1998

493B0356

## SENATE BILL NO. 17

Introduced by: The Committee on Retirement Laws at the request of the State Investment Council

1 FOR AN ACT ENTITLED, An Act to provide for a procedure for transferring certain funds  
2 from the pooled income account of the investment council to the permanent school fund.

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

4 Section 1. That § 4-5-30 be amended to read as follows:

5 4-5-30. The state investment officer, utilizing the facilities of the state budgetary accounting  
6 system, shall pool cash accounts within the funds enumerated in § 4-5-23. The appropriations  
7 committee of the Legislature, upon recommendations from the commissioner of finance and  
8 management, shall certify those funds which are to participate in the interest income of the  
9 pooled investments. The state investment officer shall credit the gain or interest due as a result  
10 of investments made pursuant to § 4-5-29 on a pro rata basis to the participating funds in the  
11 same ratio as the average daily cash balance of each fund bears to the total average cash balance  
12 of all funds.

13 At the beginning of each fiscal year the state treasurer shall transfer money from the South  
14 Dakota retirement fund, cement plant retirement fund, and any other specific fund approved by  
15 the bureau of finance and management, other than the state pooled fund account, to the

1 investment council expense fund, which is hereby created in an amount equal to the ratio of the  
2 average assets in each fund for the previous fiscal year to the total average assets managed by  
3 the investment council for the previous fiscal year multiplied by the difference between the  
4 budget of the investment council for the fiscal year and the beginning cash balance in the  
5 investment council expense account. At the beginning of each fiscal year the state treasurer shall  
6 transfer money from the pooled income account to the investment council expense account in  
7 an amount equal to the ratio of the average daily cash balance of the pooled fund account for the  
8 previous fiscal year to total average assets managed by the investment council for the previous  
9 fiscal year multiplied by the difference between the budget of the investment council for the fiscal  
10 year and the beginning cash balance in the investment council expense account. At the beginning  
11 of each fiscal year, the state treasurer shall transfer money from the general fund portion of the  
12 pooled income account to the investment council expense account in an amount equal to the  
13 ratio of the average daily cash balance of the permanent school and other educational fund  
14 provided for in Article VIII of the Constitution for the previous fiscal year to total average assets  
15 managed by the investment council for the previous fiscal year multiplied by the difference  
16 between the budget of the investment council for the fiscal year and the beginning cash balance  
17 in the investment council expense account.