

State of South Dakota

SEVENTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2001

643E0452

SENATE STATE AFFAIRS COMMITTEE ENGROSSED

NO. **HB 1106** - 02/26/2001

Introduced by: Representatives Napoli, Brown (Richard), Klaudt, Kooistra, McCoy, Michels, and Olson (Mel) and Senators Hainje, Brown (Arnold), Daugaard, de Hueck, Everist, Koetzle, Staggers, and Sutton (Dan)

1 FOR AN ACT ENTITLED, An Act to revise the classes of investments available for state funds.

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

3 Section 1. That § 4-5-26 be amended to read as follows:

4 4-5-26. Money made available for investment may be invested in the following classes of
5 securities and investments and, except as provided by § 3-12-117, chapter 3-13, and the South
6 Dakota Cement Plant retirement fund, not otherwise:

- 7 (1) Direct and indirect obligations of the United States government;
- 8 (2) Agencies and instrumentalities of the United States government;
- 9 (3) Direct obligations of the State of South Dakota and any of its political subdivisions;
- 10 (4) Obligations consisting of notes, bonds, debentures, and certificates which are direct
11 obligations of a solvent corporation or trust existing under the laws of the United
12 States or any state thereof, ~~provided that~~ if such investments ~~shall be~~ are rated in the
13 four highest classifications established by at least two standard rating services;
- 14 (5) Savings accounts, share accounts, certificates of deposit of banks, savings and loan

1 associations, building and loan associations, and bankers' acceptances;

2 (6) In addition to the investments authorized by subdivisions (1) to (5) of this section,

3 inclusive, the investment council may also allocate a sum certain of state public funds

4 for investment in the accounts and certificates of South Dakota banks and

5 associations. This sum shall initially be offered to South Dakota banks and

6 associations, and if not initially fully subscribed, the investment officer shall

7 immediately reoffer the unsubscribed sum to other qualified public depositories

8 defined by subdivision 4-6A-1(7).