

State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

753B0268

HOUSE JOINT RESOLUTION NO. 1003

Introduced by: Representatives Howard, Beal, Brunner, Chaffee, Dennert, Finck, Frye-Mueller, Goodwin, Gosch, Gross, Haugaard, Jensen (Kevin), Johnson (Chris), Koth, Latterell, Lesmeister, Livermont, Marty, Mills, Mulally, Perry, Peterson (Sue), Pischke, Post, Qualm, Randolph, Rasmussen, Rounds, Saba, Steele, Weis, Wiese, York, and Zikmund and Senators Greenfield (Brock), Blare, DiSanto, Jensen (Phil), Kolbeck, Langer, Maher, Monroe, Nelson, Otten (Ernie), Russell, Stalzer, Steinhauer, Sutton, and Youngberg

1 A JOINT RESOLUTION, Proposing and submitting to the voters at the next general election
2 a new section to Article XII of the Constitution of the State of South Dakota, relating to the
3 creation and administration of a trust fund using the net receipts from unclaimed property.

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

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

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

12 § 8. There is hereby created in the state treasury a trust fund named the trust fund for



1 unclaimed property. Upon the conclusion of fiscal year 2021, and upon the conclusion of each
2 fiscal year thereafter, the state treasurer shall, after paying all claims and any reasonable
3 administrative costs associated with the sale of unclaimed property, deposit into the general fund
4 the net receipts from unclaimed property, up to a maximum of forty million dollars.

5 Upon the conclusion of fiscal year 2022, and upon the conclusion of each fiscal year
6 thereafter, the maximum amount of net receipts that the state treasurer may deposit into the
7 general fund is reduced by five million dollars from the maximum amount applicable to the
8 previous year, until the maximum amount of net receipts deposited into the general fund equal
9 zero. Any net receipts from unclaimed property that exceed the maximum deposit requirements
10 of this section shall be deposited by the state treasurer into the trust fund for unclaimed property.

11 The South Dakota Investment Council, or its successor, shall invest the trust fund in stocks,
12 bonds, mutual funds, and other financial instruments, as provided by law.

13 Beginning in fiscal year 2022, and each fiscal year thereafter, the state treasurer shall make
14 a distribution from the interest and income of the trust fund for unclaimed property into the state
15 general fund. The amount of the distribution shall be determined by law and shall be
16 appropriated only for purposes of property tax reduction.

17 Neither the interest and income of the trust fund for unclaimed property nor its principal may
18 be diverted for any other purpose, unless approved by a three-fourths vote of all the
19 members-elect of each house of the Legislature or unless the state treasurer determines that such
20 amounts are necessary for the payment of claims.