

# State of South Dakota

EIGHTY-NINTH SESSION  
LEGISLATIVE ASSEMBLY, 2014

400V0521

## SENATE BILL NO. 152

Introduced by: The Committee on Retirement Laws at the request of the Office of the Governor

1 FOR AN ACT ENTITLED, An Act to make an appropriation to provide full funding of the  
2 cement plant retirement plan, to consolidate the cement plant retirement plan with the South  
3 Dakota Retirement System, and to declare an emergency.

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

5 Section 1. There is hereby appropriated from the general fund the sum of five million five  
6 hundred ninety-eight thousand four hundred ninety-five dollars (\$5,598,495) to the cement plant  
7 retirement fund for the purpose of providing full funding of the cement plant retirement fund.

8 Section 2. Upon receipt of the appropriation pursuant to section 1 of this Act, the state  
9 treasurer shall transfer the balance of the funds of the cement plant retirement fund to the South  
10 Dakota Retirement System trust fund.

11 Section 3. That chapter 3-12 be amended by adding thereto a NEW SECTION to read as  
12 follows:

13 On April 1, 2014, all members of the cement plant retirement plan, including any retiree and  
14 any vested member, become Class C members of the system. The administration of retirement  
15 benefits for Class C members shall continue with the system.



1 Section 4. That chapter 3-12 be amended by adding thereto a NEW SECTION to read as  
2 follows:

3 Each Class C member shall receive the same benefit as provided pursuant to the member's  
4 respective cement plant retirement plan as in effect on June 30, 2013. The benefits of any Class  
5 C member and the member's beneficiaries shall be paid from the fund established by this chapter  
6 and funded pursuant to sections 1 and 2 of this Act.

7 Section 5. That chapter 3-12 be amended by adding thereto a NEW SECTION to read as  
8 follows:

9 Any amount transferred to the system from the cement plant retirement fund pursuant to  
10 section 2 of this Act, which under the cement plant retirement plan were credited to the accounts  
11 of individual members, are considered member contributions.

12 Section 6. That chapter 3-12 be amended by adding thereto a NEW SECTION to read as  
13 follows:

14 Notwithstanding the provisions of § 3-12-61, any benefit payments and any operational  
15 expenses related to Class C members shall be paid from the fund established by this chapter.

16 Section 7. That chapter 3-12 be amended by adding thereto a NEW SECTION to read as  
17 follows:

18 The board may, pursuant to chapter 1-26, adopt rules to establish uniform procedures for the  
19 administration of the retirement benefits of Class C members.

20 Section 8. That § 3-12-47 be amended by adding thereto a NEW SUBDIVISION to read as  
21 follows:

22 "Class C credited service," service credited as a Class C member of the system;

23 Section 9. That § 3-12-47 be amended by adding thereto a NEW SUBDIVISION to read as  
24 follows:

1 "Class C member," any member of the cement plant retirement plan including any retiree  
2 or any vested member;

3 Section 10. That § 3-13B-1 be repealed.

4 ~~— 3-13B-1. Responsibility for the administration of retirement benefits of former employees  
5 of the South Dakota State Cement Plant Commission is hereby transferred to the South Dakota  
6 Retirement System. Benefit payments and administrative expenses of the state cement plant  
7 retirement plan shall be paid from that plan's member trust fund. No funds for the payment of  
8 such benefits or administrative expenses may be transferred from the member trust fund created  
9 in chapter 3-12.~~

10 Section 11. That § 3-13B-2 be repealed.

11 ~~— 3-13B-2. The retirement plan benefits for State Cement Plant employees shall be no greater  
12 than the retirement benefits provided in chapter 3-12; provided, however, that normal retirement  
13 benefits for those employed prior to July 1, 1977, shall be equal to one and four-tenths percent  
14 times the final compensation times the number of years of credited service. Retirement benefits  
15 for employees whose date of first employment is after July 1, 1977, shall be no greater than the  
16 benefits provided in chapter 3-12. If benefits outlined in § 3-12-91 exceed one and four-tenths  
17 percent times the final compensation times the number of years of credited service, then the  
18 benefits of § 3-12-91, when applicable, shall supersede the provisions of this section.~~

19 Section 12. That § 3-13B-3 be repealed.

20 ~~— 3-13B-3. The South Dakota Retirement System Board of Trustees may adopt, pursuant to  
21 chapter 1-26, such rules as may be necessary to establish uniform procedures for the  
22 administration of the retirement benefits of former employees of the state cement plant  
23 retirement plan.~~

24 Section 13. Whereas, this Act is necessary for the support of the state government and its

1 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in  
2 full force and effect on April 1, 2014.