

State of South Dakota

EIGHTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2013

400U0243

HOUSE BILL NO. 1027

Introduced by: The Committee on Retirement Laws at the request of the South Dakota Retirement System

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the application of the
2 special pay retirement program of the South Dakota Retirement System.

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

4 Section 1. That subdivision (8) of § 3-13A-2 be amended to read as follows:

5 (8) "Participant," a terminated employee of a participating unit who has reached the
6 calendar month prior to the month of the ~~member's~~ employee's fifty-fifth birthday and
7 who received six hundred dollars or more in special pay;

8 Section 2. That subdivision (11) of § 3-13A-2 be amended to read as follows:

9 (11) "Special pay," compensation other than regular salary or wages granted to a member
10 ~~of the system~~ participant and transferred in a lump-sum to the fund at the termination
11 of the ~~member's~~ participant's employment;

12 Section 3. That § 3-13A-5 be amended to read as follows:

13 3-13A-5. Upon a participant's termination of employment, the participating unit shall
14 transmit the gross amount of the participant's special pay to the fund. However, except to the
15 extent permitted under § 414(v) of the code, if applicable, a contribution allocated to a ~~member's~~



1 participant's account under the program may not exceed forty-one thousand dollars, as adjusted
2 for increases in the cost-of-living pursuant to § 415(d) of the code, or one hundred percent of
3 the participant's compensation, as identified in § 415(c)(3) of the code ~~and § 1.415-2(d)(1) of~~
4 ~~the Code of Federal Regulations in effect on January 1, 2005~~, for the calendar year. For the
5 purposes of the limitations under this section, all of the defined contribution plans of a
6 participant's employer, whether terminated or current, shall be treated as a single defined
7 contribution plan.