

AN ACT

ENTITLED, An Act to permit the Huron firefighters to participate in the South Dakota Retirement System.

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

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

On July 1, 1998, all members of the city of Huron firemen pension fund as of June 30, 1998, including all retirees, any deferred vested members and any benefit recipients, shall become members of the system. Each active member shall receive credited service under the system for all service earned under the city of Huron firemen pension fund.

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

Each retired member, any benefit recipient, or any deferred vested member described in section 1 of this Act and in such status prior to July 1, 1998, shall receive the member's previously selected annuity option as provided under the city of Huron firemen pension fund as in effect on June 30, 1998, but is not eligible for a benefit pursuant to § 3-12-94. Each such benefit in effect prior to July 1, 1998, shall be improved on that date and thereafter in accordance with § 3-12-88. The retirement benefit of a deferred vested member that goes into effect after July 1, 1998, shall be improved in accordance with § 3-12-88, but the member's final compensation may not be increased prior to retirement by the improvement factor pursuant to § 3-12-75. The benefits of members described in section 1 of this Act who are entitled to receive benefits from the city of Huron firemen pension fund prior to July 1, 1998, shall be paid from the fund established by this chapter and funded pursuant to section 4 of this Act.

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

Upon retirement, each member described in section 1 of this Act who is an active firefighter in the employ of the city of Huron on July 1, 1998, shall receive the greater of:

- (1) The member's retirement allowance calculated under this chapter; or

- (2) The member's retirement allowance calculated under the city of Huron firemen pension fund based on credited service up to June 30, 1998, and compensation up to June 30, 1998, and utilizing the fund's benefit terms and benefit formula.

In either case, such retirement benefit shall be improved in accordance with the provisions of § 3-12-88, shall be paid from the fund established by this chapter and shall be funded pursuant to section 4 of this Act and § 3-12-71. Any allowance granted pursuant to subdivision (2) may not include a benefit pursuant to § 3-12-94.

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

The city of Huron shall pay to the system an amount equal to the present value of all benefits earned by the members described in section 1 of this Act up to July 1, 1998, multiplied by the funding ratio set forth in the valuation of the actuarial requirements and financial condition of the system as of June 30, 1998. That amount shall be calculated as of the close of business on June 30, 1998, by the system's actuary. Any amount to be paid to the system by the city of Huron which exceeds the value of the assets of the city of Huron firemen pension fund, calculated as of the date of transfer of such assets, may be paid in periodic installments as provided in § 3-12-69.

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

All amounts transferred to the system from the city of Huron firemen pension fund which under the fund were credited to the accounts of individual members are considered member contributions under this chapter.

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

For purposes of payment of retirement or other benefits pursuant to section 2 of this Act and to calculate the minimum benefit pursuant to section 3 of this Act, the city of Huron shall provide the following information:

- (1) Each retired firefighter's benefit and form of payment as of June 30, 1998;
- (2) Each active or deferred vested firefighter's accrued benefit as of June 30, 1998;

- (3) Each active firefighter's final average compensation as of June 30, 1998.
- (4) Each active firefighter's credited service as of June 30, 1998;
- (5) Each active firefighter's employee contributions, with interest credited thereon as of June 30, 1998; and
- (6) The annual rate of salary for a first-class firefighter as of June 30, 1998.

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I certify that the attached Act
originated in the

SENATE as Bill No. 48

Secretary of the Senate

President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 48
File No. _____
Chapter No. _____

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Received at this Executive Office
this ____ day of _____ ,

19__ at ____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 19__

Governor

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STATE OF SOUTH DAKOTA,
SS.
Office of the Secretary of State

Filed _____, 19__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State