

State of South Dakota

SEVENTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2001

400E0246

SENATE BILL NO. 47

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

1 FOR AN ACT ENTITLED, An Act to provide benefit improvements for certain members of the
2 South Dakota Retirement System and to revise the provisions for the purchase of uncredited
3 service by members of the system.

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

5 Section 1. That § 3-12-91 be amended to read as follows:

6 3-12-91. Upon retirement, a member shall receive a normal retirement allowance,
7 commencing at normal retirement age or thereafter as provided in § 3-12-90, for Class A
8 credited service, equal to the larger of 1.625% of final compensation for each year of Class A
9 credited service before July 1, 2002, plus ~~1.3%~~ 1.55% of final compensation for each year of
10 Class A credited service after July 1, 2002, or 2.325% of final compensation for each year of
11 Class A credited service before July 1, 2002, plus 2.0% of final compensation for each year of
12 Class A credited service after July 1, 2002, less other public benefits. For purposes of this
13 section, federal military retirement or federal national guard retirement benefits are not other
14 public benefits. Class A credited service includes all credited service under this or any of the
15 retirement systems consolidated pursuant to § 3-12-46.

1 Section 2. That § 3-12-83 be amended to read as follows:

2 3-12-83. A current contributing member of the system may receive credited service by
3 election to make, or have made on ~~his~~ the member's behalf, contributions, based on the higher
4 of ~~his~~ the member's current compensation, or ~~his~~ the member's final compensation calculated
5 as if ~~he~~ the member retired on the date of election, at seventy-five percent of twice the member
6 rate, for each year of service for which ~~he~~ the member wishes to receive credit, if:

- 7 (1) The current contributing member of the system could have established credit for any
8 South Dakota public service by making contributions under this chapter or any prior
9 law; or
10 (2) The current contributing member was not permitted to establish credit for any South
11 Dakota public service.

12 The amount of the credited service and the rate of contribution shall be at Class A rates
13 unless the service for which credit is sought was rendered as a Class B member in which case
14 Class B rates shall apply. If a participating unit has failed to pay employer or member
15 contributions to the system on behalf of a member as required under this chapter or under any
16 predecessor system consolidated pursuant to § 3-12-46, the amount due the system shall be
17 calculated in accordance with this section.

18 The member rate in effect as of July 1, 2001, shall be used in calculation of the purchase cost
19 of any service performed prior to July 1, 2002.

20 Section 3. That § 3-12-84 be amended to read as follows:

21 3-12-84. If a current contributing member of this system has other public service for which
22 ~~he~~ the member is not entitled to retirement benefits from another public retirement system, ~~he~~
23 the member may elect to deposit or have deposited on ~~his~~ the member's behalf an amount equal
24 to seventy-five percent of twice the Class A rate of contribution multiplied by the higher of ~~his~~

1 the member's annual compensation at the time of making the election, or ~~his~~ the member's final
2 compensation calculated as if ~~he~~ the member retired on the date of ~~his~~ the member's election, for
3 each year of other public service for which ~~he~~ the member wishes to receive credit as a Class A
4 member.

5 The member rate in effect as of July 1, 2001, shall be used in calculation of the purchase cost
6 of any service performed prior to July 1, 2002.

7 Section 4. The provisions of this Act are effective on July 1, 2002, only if the provisions of
8 chapter 23 of the 2000 Session Laws are in effect on that date. If the provisions of chapter 23
9 of the 2000 Session Laws are repealed, the provisions of this Act are likewise repealed.
10 However, if repealed, the provisions of this Act are applicable for any time period that increased
11 contributions pursuant to chapter 23 of the 2000 Session Laws are received by the system.