

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

781I0264

HOUSE ENGROSSED NO. **SB 30** - 02/05/2003

Introduced by: The Committee on Legislative Procedure at the request of the Investment Council

1 FOR AN ACT ENTITLED, An Act to clarify certain prohibitions against direct or indirect
2 benefit by members of the Investment Council.

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

4 Section 1. That § 4-5-14 be amended to read as follows:

5 4-5-14. The members of the State Investment Council shall be qualified by training and
6 experience in the field of investment or finance. During ~~his~~ tenure as a member of the State
7 Investment Council, a no member of the council or his firm shall not be engaged nor the firm of
8 any member may engage in the sale of marketable or public securities to the state or to any fund
9 thereof; ~~nor shall~~. Nor may any member benefit directly or indirectly from any transaction made
10 by the state investment officer; ~~nor shall he~~. Nor may any member hold any office, position, or
11 employment in any political party. Except as provided in section 2 of this Act, the council may
12 not enter into any contract or transaction with any firm or business in which a council member
13 serves as a principal, shareholder, trustee, director, officer, employee, agent, or independent
14 contractor.

15 Section 2. That chapter 4-5 be amended by adding thereto a NEW SECTION to read as



1 follows:

2 The provisions of this Act do not prohibit a transaction that:

3 (1) Affects the public generally, and the council member's personal interest is only
4 affected by virtue of being a member of the general public; or

5 (2) Affects participants in the South Dakota Retirement System generally, and the council
6 member's personal interest is only affected by virtue of being a participant in the South
7 Dakota Retirement System; or

8 (3) Involves the acceptance of deposits under a statewide certificate of deposit program
9 made generally available to South Dakota financial institutions or the sale of interests
10 in the South Dakota Higher Education Savings Program authorized pursuant to
11 chapter 13-63 even though the council member has an interest as a principal,
12 shareholder, trustee, director, officer, employee, independent contractor, or advisor
13 of a financial institution or firm that would accept such deposits or sell such interests,
14 if the council member has disclosed such interest in such financial institution or firm
15 to the council.