

State of South Dakota

EIGHTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2014

400V0573

CONFERENCE COMMITTEE ENGROSSED NO. **SB 158** - 03/13/2014

Introduced by: The Committee on State Affairs at the request of the Office of the Governor

1 FOR AN ACT ENTITLED, An Act to revise certain funding provisions of the building South
2 Dakota fund.

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

4 Section 1. That § 1-16G-47 be amended to read as follows:

5 1-16G-47. There is hereby created the building South Dakota fund for the purpose of
6 building and reinvesting in South Dakota's economy and to create high quality jobs. Any money
7 in the building South Dakota fund is continuously appropriated to the Bureau of Finance and
8 Management. The state may accept and expend for the purposes of this chapter any funds
9 obtained from appropriations or any other source. Interest earned on money in the fund shall be
10 deposited into the fund.

11 If the Board of Economic Development approves a new or expanded facility with project
12 costs exceeding twenty million dollars to receive a reinvestment payment pursuant to the
13 provisions of §§ 1-16G-56 to 1-16G-68, inclusive, the Department of Revenue shall deposit all
14 of the contractor's excise tax imposed and paid pursuant to the provisions of chapter 10-46A or
15 10-46B on the project costs into the building South Dakota fund.



1 ~~—The state treasurer shall transfer twenty-five percent of the unclaimed property deposited in~~
2 ~~the general fund pursuant to chapter 43-41B in state fiscal year 2015 into the building South~~
3 ~~Dakota fund. The state treasurer shall transfer fifty percent of the unclaimed property deposited~~
4 ~~in the general fund pursuant to chapter 43-41B in state fiscal year 2016 and each year thereafter~~
5 ~~into the building South Dakota fund.~~

6 ~~—Notwithstanding the provisions of this section, no deposit or transfer to the building South~~
7 ~~Dakota fund may be made by the commissioner of the Bureau of Finance and Management if~~
8 ~~the projected ongoing revenues adopted by the Legislature for the prospective fiscal year are~~
9 ~~insufficient to accommodate:~~

10 ~~—(1)—The statutory increases for state aid to K-12 general education, special education, and~~
11 ~~the technical institutes;~~

12 ~~—(2)—Projected Title XIX and the Title XXI spending adjusted for increased provider~~
13 ~~payments, increased utilization, or enrollment growth, and as affected by any~~
14 ~~reduction in the Federal medical assistance percentage; and~~

15 ~~—(3)—The state employee salary policy increase, commensurate with the K-12 inflationary~~
16 ~~increase, in addition to funds necessary to meet actuarially projected increases in~~
17 ~~health insurance costs.~~

18 Section 2. That chapter 4-7 be amended by adding thereto a NEW SECTION to read as
19 follows:

20 Notwithstanding the provisions of §§ 4-7-32 and 4-7-39, on July first of each fiscal year or
21 at such time that the prior fiscal year general fund ending unobligated cash balance is
22 determined, the commissioner of the Bureau of Finance and Management shall transfer all prior
23 year unobligated cash as follows:

24 (1) If the combined cash balance is less than ten percent of the general fund

1 appropriations from the general appropriations act for the prior year, an amount of
2 unobligated cash shall be transferred to the budget reserve fund, so that the combined
3 cash balance equals ten percent of the general appropriations from the general
4 appropriations act for the prior year;

5 (2) If the combined cash balance is equal to or greater than ten percent of the general
6 fund appropriations from the general appropriations act for the prior year, or there is
7 additional unobligated cash after the provisions in subdivision (1) are satisfied, an
8 amount of unobligated cash shall be transferred to the building South Dakota fund,
9 so that the collective BSDF cash balance does not exceed one percent of the general
10 fund appropriations in the general appropriations act for the previous fiscal year; and

11 (3) If the collective BSDF cash balance exceeds one percent of the general fund
12 appropriations in the general appropriations act for the previous year, or if there is
13 additional unobligated cash remaining after the transfers in subdivisions (1) and (2),
14 the remaining unobligated cash shall be transferred to the budget reserve fund and
15 property tax reduction fund pursuant to the provisions of §§ 4-7-32 and 4-7-39.

16 Section 3. That chapter 4-7 be amended by adding thereto a NEW SECTION to read as
17 follows:

18 If the collective BSDF cash balance is less than one half percent of the general fund
19 appropriations in the general appropriations act for the previous fiscal year, the commissioner
20 shall transfer an amount of money from the property tax reduction fund to the building South
21 Dakota fund so that the total of the amount deposited pursuant to this section and section 2 of
22 this Act does not exceed one half percent of the general fund appropriations in the general
23 appropriations act for the previous fiscal year. However, the combined cash balance may not be
24 reduced to less than ten percent of the general fund appropriations from the general

1 appropriations act for the prior year by any transfer made to the building South Dakota fund
2 pursuant to this section.

3 Section 4. That chapter 4-7 be amended by adding thereto a NEW SECTION to read as
4 follows:

5 Terms used in sections 2 and 3 of this Act mean:

6 (1) "Collective BSDF cash balance," the total cash balance of the:

7 (a) Building South Dakota fund;

8 (b) Local infrastructure improvement grant fund;

9 (c) Economic development partnership fund;

10 (d) Workforce education fund;

11 (e) South Dakota housing opportunity fund; and

12 (f) Funds disbursed pursuant to the provisions of subdivision 1-16G-48(5);

13 (2) "Combined cash balance," the total cash balance of the:

14 (a) Budget reserve fund at the end of the prior fiscal year; and

15 (b) Property tax reduction fund at the end of the prior fiscal year.