

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

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HOUSE BILL NO. 1042

Introduced by: The Committee on Appropriations at the request of the Department of Labor and Regulation

1 FOR AN ACT ENTITLED, An Act to establish the trust company receivership and liquidation
2 captive insurance company fund and to make an appropriation therefor.

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

4 Section 1. There is hereby appropriated from the banking special revenue fund established
5 in § 51A-2-30 the sum of one dollar (\$1), or so much thereof as may be necessary, to the
6 Department of Labor and Regulation for the purpose of making a grant to a captive insurance
7 company controlled entirely by the state for the purpose of trust company receivership and
8 liquidation coverage.

9 Section 2. The secretary of the Department of Labor and Regulation shall approve vouchers
10 and the state auditor shall draw warrants to pay expenditures authorized by this Act.

11 Section 3. The provisions of § 4-8-21 do not apply to the funds appropriated by this Act.

12 Section 4. There is hereby established in the state treasury the trust company receivership
13 and liquidation captive insurance company fund. The Department of Labor and Regulation may
14 enter into an agreement with a captive insurance company for the management of the fund.
15 Money in the fund may be used to pay for trust company receivership and liquidation costs for



1 trust companies chartered and regulated by the Division of Banking as well as administrative
2 and reinsurance costs for the fund. Interest earned on money in the fund shall be deposited into
3 the fund. Any money in the trust company receivership and liquidation captive insurance
4 company fund is continuously appropriated. Any money deposited into and distributed from the
5 fund shall be set forth in an informational budget as described in § 4-7-7.2.