



2020 South Dakota Legislature

Senate Bill 133

SENATE APPROPRIATIONS ENGROSSED

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: **Senator Partridge**

1 **An Act to allow public funds not needed for current operating expenses to be**
 2 **invested in certain certificates of deposit or time deposits.**

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

4 **Section 1.** That § 4-5-6 be AMENDED:

5 **4-5-6. Investment in securities of or guaranteed by United States,**
 6 **repurchase agreements, or shares of registered investment companies.**

7 Any public funds which will not be needed for current operating expenses may be
 8 invested in: (a) securities of the United States and securities guaranteed by the United
 9 States government either directly or indirectly including, without limitation, United States
 10 treasury bills, notes, bonds, and other obligations issued or directly or indirectly
 11 guaranteed by the United States government, or otherwise directly or indirectly backed
 12 by the full faith and credit of the United States government; provided that, for other than
 13 permanent, trust, retirement, building, and depreciation reserve funds, such securities
 14 shall either mature within eighteen months from the date of purchase or be redeemable
 15 at the option of the holder within eighteen months from the date of purchase; or (b)
 16 repurchase agreements fully collateralized by securities described in (a) and meeting the
 17 requirements of § 4-5-9, if the repurchase agreements are entered into only with those
 18 primary reporting dealers that report to the Federal Reserve Bank of New York and with
 19 the one hundred largest United States commercial banks, as measured by domestic
 20 deposits; or (c) in shares of an open-end, no-load fund administered by an investment
 21 company registered under the Federal Investment Company Act of 1940, whose shares
 22 are registered under the Federal Securities Act of 1933 and whose only investments are
 23 in securities described in (a) and repurchase agreements described in (b); or (d)
 24 notwithstanding § 4-5-6.1, in certificates of deposit or time deposits issued by any bank,
 25 trust company, or national banking association organized under the laws of any state or
 26 of the United States of America and insured by the Federal Deposit Insurance Corporation.