

State of South Dakota

EIGHTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2014

400V0335

SENATE BILL NO. 42

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

1 FOR AN ACT ENTITLED, An Act to authorize certain former state cement plant employees
2 and surviving spouses to elect a lump sum trustee-to-trustee payment in lieu of monthly
3 benefit payments.

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

5 Section 1. Any vested member of the state cement plant retirement plan may elect to receive
6 a lump sum trustee-to-trustee payment in lieu of monthly retirement benefit payments. The
7 amount of the lump sum trustee-to-trustee payment shall be determined by the system's actuary
8 based on the actuarial equivalent of the member's benefit as defined by the cement plant
9 retirement plan. However, no lump sum trustee-to-trustee payment may be made unless both of
10 the following requirements are satisfied:

- 11 (1) The member has not received any monthly benefits; and
12 (2) The member directs a trustee-to-trustee transfer of the lump sum payment to a
13 receiving retirement custodian, trustee, or other approved recipient.

14 Any eligible member who desires to make the election authorized by this section shall
15 submit an application to the system.



1 Section 2. Upon the death of a vested member of the state cement plant retirement plan who
2 died prior to starting a monthly retirement benefit, the member's surviving spouse may elect a
3 lump sum trustee-to-trustee payment in lieu of monthly surviving spouse benefit payments. The
4 amount of the lump sum trustee-to-trustee payment shall be determined by the system's actuary
5 based on the actuarial equivalent, as defined by the cement plant retirement plan, of the spouse's
6 age sixty-five survivor benefit. However, no lump sum trustee-to-trustee payment may be made
7 unless the following requirements are satisfied:

8 (1) Neither the member nor the member's family nor the member's spouse received any
9 monthly benefits from the plan; and

10 (2) The surviving spouse directs a trustee-to-trustee transfer of the lump sum payment
11 to a receiving retirement custodian, trustee, or other approved recipient.

12 Any eligible surviving spouse who desires to make the election authorized by this section
13 shall submit an application to the system.