

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

814W0438

SENATE BILL NO. 165

Introduced by: Senators Curd, Bradford, Buhl O'Donnell, Greenfield (Brock), Lederman, Monroe, Novstrup (David), Peters, Rave, and Tidemann and Representatives Cronin, Brunner, Deutsch, Gibson, Kaiser, and Verchio

1 FOR AN ACT ENTITLED, An Act to provide that the financial responsibility policy of a self-
2 insured car rental company is secondary to the financial responsibility policy of the renter.

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

4 Section 1. That § 32-35-70 be amended to read as follows:

5 32-35-70. An owner's policy of liability insurance referred to in § 32-35-68 shall insure the
6 person named therein and any other person as insured, using any insured vehicle or vehicles
7 with the express or implied permission of the named insured, against loss from the liability
8 imposed by law for damages arising out of the ownership, maintenance, or use of the vehicle
9 or vehicles within the United States of America or the Dominion of Canada, subject to limits
10 exclusive of interests and costs, with respect to each insured vehicle, as follows: twenty-five
11 thousand dollars because of bodily injury to or death of one person in any one accident and,
12 subject to the limit for one person, fifty thousand dollars because of bodily injury to or death of
13 two or more persons in any one accident, and twenty-five thousand dollars because of injury to
14 or destruction of property of others in any one accident. If the policy complies with the filing



1 and form requirements of Title 58 and has been approved by the Division of Insurance, the
2 driver and owner has complied with this chapter. The policy may exclude liability coverage if
3 the policyholder certifies in writing that the vehicle will not be operated during the policy
4 period. The policy may exclude or limit coverage pursuant to § 58-11-9.3, or for a relative
5 residing in the named insured's household. Policies issued after January 1, 1987, and owners
6 who have purchased such policies are in compliance with this chapter. Date of compliance does
7 not affect any pending litigation. In a case of a self-insured rental car company, the rental car
8 company's self-insured financial responsibility is secondary to the financial responsibility of the
9 renter's and operator's insurer. Nothing in this section may be construed to impair a rental car
10 company's right to indemnity, contribution, or both.