



Legislative Research Council

RULES REVIEW COMMITTEE MINUTES

Two Hundred Forty-third Meeting
Friday
November 14, 2003

Room 413
State Capitol Building
Pierre, South Dakota

The two hundred forty-third meeting of the Rules Review Committee was called to order by Chair Senator Royal "Mac" McCracken at 9:04 a.m., November 14, 2003, in Room 413 of the State Capitol, Pierre, South Dakota.

A quorum was determined with the following members answering the roll call: Senators Eric Bogue, H. Paul Dennert, and Royal "Mac" McCracken; and Representatives Richard Engels, Jean Hunhoff, and Orville Smidt.

Staff members present included Doug Decker, Code Counsel, and Kris Schneider, Legislative Secretary.

All material distributed at the meeting is attached to the original minutes on file in the Legislative Research Council. For the purpose of continuity, these minutes are not necessarily in chronological order.

Approval of Minutes

Representative Smidt moved, seconded by Senator Dennert, that the minutes of the October 6, 2003, meeting be approved. Motion prevailed unanimously on a voice vote.

Staff Report

Mr. Decker reported that during the interim the committee has reviewed seventy-one sets of rules and that he estimates another ten to fifteen sets will be reviewed by the end of the interim. He will be drafting legislation on behalf of the committee that will delete the ten-day waiting period as required in SDCL 1-26-6(1).

Rules Reviewed

Department of Transportation - Amend speed zones in Brookings, Kingsbury, Pennington, and Shannon Counties and amend rule that will allow the three axle units to move 40,000 pounds and allow the same lenience for the short internal axle bridge providing the group is four axles.

Mr. Bill Nevin reviewed the proposed rules. In response to Senator Dennert's question, Mr. Nevin stated that the 40,000 pounds were per axle.

Senator Dennert moved, seconded by Senator Bogue, to approve the rules proposed by the Department of Transportation. Motion prevailed unanimously on a roll call vote, with 6 ayes. Members voting aye: Bogue, Dennert, Engels, Hunhoff, McCracken, and Smidt.

Department of Revenue and Regulation: Division of Insurance - Amend rules to change filing requirements to allow retaliatory fees to be billed to insurers on a periodic basis; repeal redundant rules on policy delivery; treat annuities and life insurance replacement form requirements in the same manner; and allow life insurance exclusions for travel to certain specifically identified countries for buyers purchasing very large life insurance policies.

Mr. Randy Moses reviewed the proposed rules.

Representative Engels moved, seconded by Representative Smidt, to approve the rules proposed by the Department of Revenue and Regulation: Division of Insurance. Motion prevailed unanimously on a roll call vote, with 6 ayes. Members voting aye: Bogue, Dennert, Engels, Hunhoff, McCracken, and Smidt.

Department of Tourism & State Development: Board of Economic Development - Amend rules to allow Regional Revolving Loan Funds (RRLF) the ability to borrow from the REDI Fund.

Ms. Tina Van Camp reviewed the proposed rules.

Representative Smidt moved, seconded by Senator Bogue, to approve the rules proposed by the Department of Tourism & State Development: Board of Economic Development. Motion prevailed unanimously on a roll call vote, with 6 ayes. Members voting aye: Bogue, Dennert, Engels, Hunhoff, McCracken, and Smidt.

Department of Health: Health Systems Development & Regulations - Amend rules to conform to the current health and safety standards; permit appropriate independence of residents; define construction and operational requirements for hospitals using seclusion rooms; ensure food safety; and follow the less restrictive federal requirements for signing of physician's orders.

Mr. Kevin Forsch reviewed the proposed rules and distributed a summary of the changes being proposed (**Document 1**).

Public Testimony

Mr. Ken Senger, representing the South Dakota Association of Healthcare Organizations, testified that they are in support of the proposed rules and felt that the changes are necessary.

Senator Bogue moved, seconded by Senator McCracken, to approve the rules proposed by the Department of Health: Health Systems Development & Regulations. Motion prevailed

unanimously on a roll call vote, with 6 ayes. Members voting aye: Bogue, Dennert, Engels, Hunhoff, McCracken, and Smidt.

Department of Health: Health & Medical Services - Amend rules that will update the list of reportable communicable diseases in South Dakota and update the reporting mechanisms.

Ms. Laurie Gill and **Dr. Lon Kightlinger** reviewed the proposed rules. They distributed a handout entitled "Reportable Diseases in South Dakota" (**Document 2**) and explained that Category I diseases must be reported immediately to the Department of Health and that Category II diseases are to be reported within three days.

Senator Dennert moved, seconded by Senator McCracken, to approve the rules proposed by the Department of Health: Health & Medical Services. Motion prevailed unanimously on a roll call vote, with 6 ayes. Members voting aye: Bogue, Dennert, Engels, Hunhoff, McCracken, and Smidt.

Department of Revenue and Regulation: Property and Special Taxes - Repeal certain rules pertaining to transactions between cigarette wholesalers and retailers; amend rules to increase the minimum size of sample bottles; allow a wholesaler to deliver a product ordered during a post-down period for a short time after the post-down period; and allow a wholesaler to reset the premises of a retailer, with certain restrictions.

Mr. Michael Kenyon reviewed the proposed rules. He stated that these changes were being made on the recommendation of the industry.

Public Testimony

Mr. Robert Riter and **Ms. Nancee Johnson**, representing the South Dakota Beer Wholesalers Association, testified in support of the proposed rule changes. Ms. Johnson stated that allowing wholesalers to reset displays will allow them to be in compliance with the promotions of new products.

Senator McCracken moved, seconded by Representative Engels, to approve the rules proposed by the Department of Revenue and Regulation: Property and Special Taxes. Motion prevailed unanimously on a roll call vote, with 6 ayes. Members voting aye: Bogue, Dennert, Engels, Hunhoff, McCracken, and Smidt.

Committee Discussion

The next Rules Review Committee meeting is scheduled for Tuesday, December 2, 2003, and the final meeting of this interim is scheduled for Monday, January 12, 2004.

The chair adjourned the meeting at 10:33 a.m.



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