

# State of South Dakota

SEVENTY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 1997

400A0254

CONFERENCE COMMITTEE ENGROSSED

NO. **HB1046** - 3/4/97

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

1 FOR AN ACT ENTITLED, An Act to define unfair discrimination in the business of insurance.

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

3 Section 1. That § 58-11-55 be amended to read as follows:

4 58-11-55. ~~No~~ Except as provided in sections 2 and 3 of this Act, no insurer ~~shall~~ may refuse  
5 to issue or to renew a policy or certificate solely because of the age, residence, race, color, creed,  
6 national origin, ancestry, occupation, or marital status of the applicant or the insured ~~according~~  
7 ~~to such rules and regulations as promulgated by the director of the Division of Insurance.~~

8 Violation of this section is a Class 2 misdemeanor.

9 Section 2. An insurer may use age in determining whether to issue or renew life, health, or  
10 annuity policies. An insurer may use occupation in determining whether to issue or renew a life  
11 or disability policy.

12 Section 3. Except as provided by § 58-15-45 and section 2 of this Act, § 58-11-55 applies  
13 to all types of insurance issued by all insurers under Title 58. However, nothing in § 58-11-55  
14 may be construed as applying to or affecting the right of any fraternal benefit society subject to

1 chapter 58-37A to determine its eligibility requirements for membership or be construed as  
2 applying to or affecting the offering of benefits exclusively to members or persons eligible for  
3 membership in the society by a subsidiary corporation or an affiliated organization of the society.

4 Section 4. The director may promulgate rules for the purpose of preventing unfair  
5 discrimination pursuant to § 58-11-55. The rules may include definition of terms, identification  
6 of general practices or nonrenewal guidelines used by insurers which would violate or be in  
7 compliance with § 58-11-55, and application practices which violate § 58-11-55. In considering  
8 the adoption of any rule pursuant to this section, the director shall consider how the rule may  
9 serve to implement the purpose of preventing unfair discrimination as prohibited by § 58-11-55  
10 and how the rule may impact the availability and price of insurance in this state.

1 **BILL HISTORY**

2 1/14/97 First read in House and referred to Commerce. H.J. 31

3 1/21/97 Scheduled for Committee hearing on this date.

4 1/21/97 Commerce Do Pass Amended, Passed, AYES 13, NAYS 0.

5 1/21/97 Commerce Place on Consent Calendar.

6 1/24/97 House of Representatives Deferred to another day. H.J. 116

7 1/28/97 Motion to Amend, Passed. H.J. 175

8 1/28/97 House of Representatives Do Pass Amended, Passed, AYES 68, NAYS 1. H.J. 175

9 1/29/97 First read in Senate and referred to Commerce. S.J. 228

10 2/18/97 Scheduled for Committee hearing on this date.

11 2/18/97 Commerce Do Pass Amended, Passed, AYES 6, NAYS 0. S.J. 485

12 2/20/97 Senate Deferred to another day. S.J. 573

13 2/21/97 Senate Do Pass Amended, Passed, AYES 34, NAYS 0. S.J. 587

14 2/25/97 House of Representatives failed to concur, appoint Conference Committee, AYES 42,

15 NAYS 27. H.J. 683

16 3/3/97 Senate Conference Committee Report. S.J. 747

17 3/3/97 House of Representatives Conference Committee Report.

18 3/4/97 Senate Conference committee report adopted Passed, AYES 34, NAYS 1.