

# State of South Dakota

SEVENTY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 1998

400B0263

## HOUSE BILL NO. 1046

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

1 FOR AN ACT ENTITLED, An Act to provide for rule-making authority for the sale of health  
2 and life insurance.

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

4 Section 1. That chapter 58-33 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 The director may promulgate rules, pursuant to chapter 1-26, pertaining to the advertising,  
7 sale, and solicitation of life and health insurance. In promulgating these rules, the director shall  
8 consider existing National Association of Insurance Commissioner's model laws and regulations  
9 including the Advertising of Accident and Sickness Insurance, Individual Accident and Sickness  
10 Insurance Minimum Standards Act, Model Regulation to Implement the Individual Accident  
11 Sickness Insurance Minimum Standards Act, Uniform Individual Accident and Sickness Policy  
12 Provisions Law, Advertising of Life Insurance, Buyer's Guide for Life Insurance, Life Insurance  
13 Disclosure Model Regulation, the impact the rules would have upon the life and health insurance  
14 markets in this state and the need for the protection of the insurance buying public in this state.

15 The rules may include:

- 1 (1) Definition of terms;
- 2 (2) Content and style of advertisements and solicitation materials;
- 3 (3) Prohibited practices and minimum standards;
- 4 (4) Disclosure requirements including the use of prescribed forms, guides, indices, and  
5 summaries;
- 6 (5) Record retention and reporting requirements;
- 7 (6) Dividend and death benefit calculations; and
- 8 (7) Compliance procedures.