

AN ACT

ENTITLED, An Act to require the reporting of criminal convictions, to provide certain licensing penalties, and to allow certain cooperation in a multi-state waiver process regarding persons engaged in the insurance business.

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

Section 1. Any person, owner, or officer of an entity licensed pursuant to chapter 58-30 is subject to the provisions of this Act.

Section 2. Any person licensed pursuant to chapter 58-30 or any owner or officer of an entity licensed pursuant to chapter 58-30, who is convicted of a felony or a crime of moral turpitude, shall report the conviction to the division within thirty days of the date of the conviction. The report shall include either a copy of the judgment of conviction or provide sufficient information so as to enable the division to obtain a copy.

Section 3. Any person required to report pursuant to this Act shall notify the division within thirty days of the effective date of any enforcement action taken with respect to that person's license by any other state insurance regulatory authority. Enforcement actions include fines, suspensions, cease and desist orders, revocations, and surrenders of license or a settlement entered into with the regulatory authority.

Section 4. The division may revoke the license of any person failing to notify the division as required by this Act or impose a lesser penalty if there are mitigating factors which warrant a lesser penalty.

Section 5. For the purposes of this Act, the division may access the criminal files of any licensee convicted of a felony or crime of moral turpitude without any authorization from the licensee. Any law enforcement agency that possesses criminal records shall provide reasonable access by the division to such records. The provisions of this section do not affect the division's ability to otherwise exchange information or cooperate with any law enforcement agency or other authorized agency.

Section 6. The division may participate with the National Association of Insurance Commissioners and the insurance regulatory offices of other states regarding the issuance of waivers pursuant to 18 U.S.C. §§ 1033 and 1034 as amended to January 1, 1998. The issuance of a waiver by any state is not in any manner binding upon any licensing determination made or to be made by the division.

An Act to require the reporting of criminal convictions, to provide certain licensing penalties, and to allow certain cooperation in a multi-state waiver process regarding persons engaged in the insurance business.

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I certify that the attached Act  
originated in the

SENATE as Bill No. 53

\_\_\_\_\_  
Secretary of the Senate  
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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 53  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

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Received at this Executive Office  
this \_\_\_\_ day of \_\_\_\_\_ ,  
19\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor  
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The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 19\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,  
ss.  
Office of the Secretary of State

Filed \_\_\_\_\_, 19\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State