

State of South Dakota

SEVENTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2000

400D0290

HOUSE BILL NO. 1035

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

1 FOR AN ACT ENTITLED, An Act to repeal certain provisions regarding health insurance on
2 a franchise plan.

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

4 Section 1. That § 58-17-2.1 be repealed.

5 ~~58-17-2.1. Health insurance on a franchise plan is hereby declared to be that form of health~~
6 ~~insurance issued to:~~

7 ~~(1) Five or more employees of any corporation, copartnership, or individual employer or~~
8 ~~any governmental corporation, agency or department thereof; or~~

9 ~~(2) Ten or more members of any trade, occupational or professional association, or of a~~
10 ~~labor union, or of any other association having had an active existence for at least two~~
11 ~~years where such association or union has a constitution or bylaws and is formed in~~
12 ~~good faith for purposes other than that of obtaining insurance;~~

13 ~~where such persons, with or without their dependents, are issued the same form of an~~
14 ~~individual policy varying only as to amounts and kinds of coverage applied for by such persons,~~
15 ~~under an arrangement whereby the premiums on such policies may be paid to the insurer~~
16 ~~periodically by the employer, with or without payroll deductions, or by the association for its~~

1 ~~members, or by some designated person acting on behalf of such employer or association or by~~
2 ~~the insured directly to the insurer, if permitted by the insurer. The term "employees" as used~~
3 ~~herein may be deemed to include the officers, managers and employees and retired employees~~
4 ~~of the employer and the individual proprietor or partnership.~~