

# State of South Dakota

SEVENTY-FIFTH SESSION  
LEGISLATIVE ASSEMBLY, 2000

761D0476

## HOUSE BILL NO. 1115

Introduced by: Representatives Peterson, McIntyre, and Wilson and Senators Munson (David) and Olson

1 FOR AN ACT ENTITLED, An Act to exempt car rental companies from certain insurance  
2 regulations.

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

4 Section 1. That chapter 58-30 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 No license as an insurer, insurance agent, insurance broker, insurance producer, surplus lines  
7 insurance broker, or limited licensee may be required of rental companies and their officers or  
8 employees which offer coverages in connection with and incidental to the rental of motor  
9 vehicles at rental offices or by pre-selection of coverage in master, corporate, group rental, or  
10 individual agreements in any of the following general categories:

11 (1) Personal accident insurance covering the risks of travel, including accident and health  
12 insurance that provides coverage, as applicable, to renters and other rental vehicle  
13 occupants for accidental death or dismemberment and for medical expenses resulting  
14 from an accident that occurs during the rental period;

15 (2) Liability insurance (which, at the exclusive option of the rental company, may include  
16 uninsured and underinsured motorist coverage whether offered separately or in

1 combination with other liability insurance) that provides coverage, as applicable, to  
2 renters and other authorized drivers of rental vehicles for liability arising from the  
3 operation of the rental vehicle;

4 (3) Personal effects insurance that provides coverage, as applicable, to renters and other  
5 rental vehicle occupants for the loss of, or damage to, personal effects that occurs  
6 during the rental period;

7 (4) Roadside assistance and emergency sickness protection programs; and

8 (5) Any other travel or auto-related coverages which a rental company offers in  
9 connection with and incidental to the rental of vehicles.

10 Section 2. That chapter 58-30 be amended by adding thereto a NEW SECTION to read as  
11 follows:

12 Terms used in this Act mean:

13 (1) "Rental agreement," any written agreement setting forth the terms and conditions  
14 governing the use of a vehicle provided by the rental company for rental or lease;

15 (2) "Rental company," any person or entity in the business of providing primarily private  
16 passenger vehicles to the public under a rental agreement for a period not to exceed  
17 ninety days;

18 (3) "Renter," any person obtaining the use of a vehicle from a rental company under the  
19 terms of a rental agreement for a period not to exceed ninety days;

20 (4) "Vehicle" or "rental vehicle," a motor vehicle of the private passenger type, including  
21 passenger vans, minivans, and sport utility vehicles, and of the cargo type, including  
22 cargo vans, pickup trucks, and trucks with gross vehicle weight of less than twenty-  
23 six thousand pounds and which do not require the operator to possess a commercial  
24 driver's license;

25 (5) "Rental period," the term of the rental agreement.