

AN ACT

ENTITLED, An Act to exempt certain church plans from certain insurance provisions.

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

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

58-1-3. No provision of this title applies with respect to:

- (1) Fraternal benefit societies, except as stated in chapter 58-37A;
- (2) Bail bondsmen, other than corporate sureties and their agents, except as stated in chapter 58-22;
- (3) Motor vehicle service contracts, extended service agreements, or other contracts by which a motor vehicle dealer licensed under chapter 32-6B or manufacturer of motor vehicles contracts to indemnify a motor vehicle owner or lessor against loss due to mechanical breakdown, or freedom from defective or worn parts or equipment of motor vehicles;
- (4) Service agreements or extended warranty plans for which the primary purpose is to provide service, repair, or replacement on consumer goods or products including appliances, merchandise, or equipment, or mechanical/electrical systems in single or multiple-family dwellings. Incidental indemnity payments under such plans where service, repair, or replacement is not feasible or economical does not void this exemption;
- (5) Any person, trust, or other entity proven to be under the exclusive regulatory authority of the federal government or another state agency;
- (6) Any agreement to provide liability protection entered into pursuant to chapter 1-24 is exempt from the regulatory requirements of Title 58, except to forms of insurance coverage provided by an insurer otherwise subject to the insurance laws of this state;
- (7) Any church plan, as defined in section 414(e) of the Internal Revenue Code of 1986, as amended through December 31, 1999, and section (3)(33)(C)(i) of the Employee Retirement Income Security Act of 1974 (29 USC 1002)(33)(C)(i)); or any church benefits

board, as described in section 414(e)(3)(A) of the Internal Revenue Code of 1986, as amended through December 31, 1999, and section (3)(33)(C)(i) of the Employee Retirement Income Security Act of 1974 (29 USC 1002(33)(C)(i)).

An Act to exempt certain church plans from certain insurance provisions.

=====

I certify that the attached Act  
originated in the

HOUSE as Bill No. 1224

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

=====

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

Attest:

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

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

Attest:

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

House Bill No. 1224

File No. \_\_\_\_\_

Chapter No. \_\_\_\_\_

=====

Received at this Executive Office  
this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

=====

The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor

=====

STATE OF SOUTH DAKOTA,  
SS.

Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

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

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