

# State of South Dakota

SEVENTY-FIFTH SESSION  
LEGISLATIVE ASSEMBLY, 2000

475D0688

## HOUSE BILL NO. 1224

Introduced by: Representatives Diedrich (Elmer), Hunt, Michels, Peterson, and Wilson and  
Senators Rounds, Brown (Arnold), Lawler, Staggers, and Whiting

1 FOR AN ACT ENTITLED, An Act to exempt certain church plans from certain insurance  
2 provisions.

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

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

5 58-1-3. No provision of this title applies with respect to:

6 (1) Fraternal benefit societies, except as stated in chapter 58-37A;

7 (2) Bail bondsmen, other than corporate sureties and their agents, except as stated in  
8 chapter 58-22;

9 (3) Motor vehicle service contracts, extended service agreements, or other contracts by  
10 which a motor vehicle dealer licensed under chapter 32-6B or manufacturer of motor  
11 vehicles contracts to indemnify a motor vehicle owner or lessor against loss due to  
12 mechanical breakdown, or freedom from defective or worn parts or equipment of  
13 motor vehicles;

14 (4) Service agreements or extended warranty plans for which the primary purpose is to  
15 provide service, repair, or replacement on consumer goods or products including  
16 appliances, merchandise, or equipment, or mechanical/electrical systems in single or

1 multiple-family dwellings. Incidental indemnity payments under such plans where  
2 service, repair, or replacement is not feasible or economical does not void this  
3 exemption;

4 (5) Any person, trust, or other entity proven to be under the exclusive regulatory  
5 authority of the federal government or another state agency;

6 (6) Any agreement to provide liability protection entered into pursuant to chapter 1-24  
7 is exempt from the regulatory requirements of Title 58, except to forms of insurance  
8 coverage provided by an insurer otherwise subject to the insurance laws of this state;

9 (7) Any church plan, as defined in section 414(e) of the Internal Revenue Code of 1986,  
10 as amended through December 31, 1999, and section (3)(33)(C)(i) of the Employee  
11 Retirement Income Security Act of 1974 (29 USC 1002)(33)(C)(i)); or any church  
12 benefits board, as described in section 414(e)(3)(A) of the Internal Revenue Code of  
13 1986, as amended through December 31, 1999, and section (3)(33)(C)(i) of the  
14 Employee Retirement Income Security Act of 1974 (29 USC 1002)(33)(C)(i)).