

# State of South Dakota

SEVENTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2002

751H0453

## HOUSE BILL NO. 1181

Introduced by: Representatives Madsen, Broderick, and Olson (Mel) and Senators Munson  
and Volesky

1 FOR AN ACT ENTITLED, An Act to prohibit directed suretyship.

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

3 Section 1. No public servant may, directly or indirectly, require or direct a bidder on any  
4 public building or construction contract which is about to be or has been competitively bid to  
5 obtain from a particular insurer or insurance producer any surety bond or contract of insurance  
6 required in such bid or contract or required by any law, ordinance, or regulation. Nothing in this  
7 section prevents any such public servant acting on behalf of the government from exercising the  
8 right to approve or reject a surety bond or contract of insurance as to its form or sufficiency or  
9 the lack of financial capability of an insurer selected by a bidder. This section applies to any  
10 surety bond or contract of insurance authorized under Title 58.

