

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

607I0654

SENATE BILL NO. 168

Introduced by: Senators Dempster and Sutton (Dan) and Representatives Williamson, Engels,
and Nesselhuf

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding variable annuities.

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

3 Section 1. That § 58-28-30 be amended to read as follows:

4 58-28-30. Except for §§ 58-15-13, 58-15-14, 58-15-15, 58-15-17, 58-15-18, 58-15-19,
5 58-15-21, 58-15-22, 58-15-29, 58-15-31, 58-15-32, 58-15-33, 58-15-34, 58-15-35, 58-15-36,
6 58-15-38, 58-15-39, and 58-27-108, as in the case of a variable life insurance policy,
7 §§ 58-15-57, 58-15-62, 58-15-64, 58-15-65, 58-15-66, 58-15-72 to 58-15-81, inclusive, and
8 58-27-108, as in the case of a variable annuity contract and except as is otherwise provided in
9 this chapter, all pertinent provisions of the insurance code ~~shall~~ apply to separate accounts and
10 contracts relating thereto.

11 Section 2. That chapter 58-28 be amended by adding thereto a NEW SECTION to read as
12 follows:

13 Except if variable death benefits are used to pay premiums, the payment of variable death
14 benefits in excess of any minimum death benefits, cash values, policy loans, or partial
15 withdrawals, or the payment of variable death benefits in excess of any partial surrenders, may



1 be deferred either:

- 2 (1) For up to six months from the date of the request, if the payments are based on policy
3 values that do not depend on the investment performance of the separate account; or
4 (2) For any period during which the New York stock exchange is closed for trading,
5 except for normal holiday closing, or for any period during which the securities and
6 exchange commission determines that a state of emergency exists which may make
7 such payment impractical.

8 Section 3. That chapter 58-28 be amended by adding thereto a NEW SECTION to read as
9 follows:

10 The director may promulgate rules pursuant to chapter 1-26 relating to variable life insurance
11 policies. In promulgating the rules, the director shall give substantial consideration to the
12 standards contained in the National Association of Insurance Commissioners (NAIC) Variable
13 Life Insurance Model Regulation and otherwise design the rules to achieve uniformity, to the
14 degree reasonably possible, in the standards for variable life insurance.