

State of South Dakota

EIGHTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2007

637N0437

HOUSE BILL NO. 1150

Introduced by: Representatives Peters, Cutler, Engels, Gillespie, Krebs, Lust, Miles, Novstrup (David), Vehle, and Willadsen and Senators Hansen (Tom), Abdallah, Albers, Koetzle, and Turbak

1 FOR AN ACT ENTITLED, An Act to revise certain provisions relating to deceptive trade
2 practices.

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

4 Section 1. That subdivision (12) of § 37-24-6 be amended to read as follows:

5 (12) Sell, market, promote, advertise, or otherwise distribute any card or other purchasing
6 mechanism or device that is not insurance that purports to offer discounts or access
7 to discounts from pharmacies for prescription drug purchases if:

8 (a) The card or other purchasing mechanism or device does not expressly state in
9 bold and prominent type, prevalently placed, that discounts are not insurance;

10 (b) The discounts are not specifically authorized by a separate contract with each
11 pharmacy listed in conjunction with the card or other purchasing mechanism
12 or device; or

13 (c) The discount or access to discounts offered, or the range of discounts or access
14 to the range of discounts, is misleading, deceptive, or fraudulent, regardless
15 of the literal wording.



1 The provisions of this subdivision do not apply to a customer discount or
2 membership card issued by a store or buying club for use in that store or
3 buying club, or a patient access program voluntarily sponsored by a
4 pharmaceutical manufacturer, or a consortium of pharmaceutical
5 manufacturers, that provide free or discounted prescription drug products
6 directly to low income or uninsured individuals either through a discount card
7 or direct shipment.

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