

# State of South Dakota

EIGHTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2012

400T0178

## HOUSE COMMERCE AND ENERGY ENGROSSED NO. **HB 1035** - 1/30/2012

Introduced by: The Committee on Commerce and Energy at the request of the Department  
of Labor and Regulation

1 FOR AN ACT ENTITLED, An Act to allow the disclosure of the status of certain insurance  
2 investigations and examinations.

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

4 Section 1. That chapter 58-4 be amended by adding thereto a NEW SECTION to read as  
5 follows:

6 The status, existence, or outcome of any ongoing or completed investigation or examination  
7 performed pursuant to this title may be disclosed by the director to any person who has filed a  
8 complaint or report to the director pertaining to the specific investigation or examination.  
9 Confidential information shared with the director may not be disclosed. However, nothing in  
10 this section prevents the director from providing a copy of licensee responses or other materials  
11 submitted by a licensee to complaints or inquiries if the response or materials are not  
12 specifically marked confidential. This Act does not apply to investigations conducted pursuant  
13 to chapter 58-4A.

14 Section 2. That chapter 58-4 be amended by adding thereto a NEW SECTION to read as



1 follows:

2 Terms used in sections 2 to 6, inclusive of this Act, mean:

3 (1) "Return information," any information collected, prepared or received by the division  
4 which relates to a return, including the nature or amount of a taxpayer's income,  
5 receipts, deductions, net worth, tax liability, or deficiencies, or any part of any written  
6 determination or background file documents relating to such information. The term  
7 does not include data in a form which cannot be associated with or otherwise  
8 identify, directly or indirectly, a particular taxpayer;

9 (2) "Returns," all tax returns, tax reports or claims for refund which are filed with the  
10 division.

11 Section 3. That chapter 58-4 be amended by adding thereto a NEW SECTION to read as  
12 follows:

13 Each list of premium taxpayers compiled by the division is confidential. It is a Class 2  
14 misdemeanor to disclose any list except to the extent necessary to carry out the official duties  
15 of the division.

16 Section 4. That chapter 58-4 be amended by adding thereto a NEW SECTION to read as  
17 follows:

18 A premium tax return and premium tax return information is confidential. It is a Class 1  
19 misdemeanor to disclose this information except pursuant to sections 2 through 6 of this Act.

20 Section 5. That chapter 58-4 be amended by adding thereto a NEW SECTION to read as  
21 follows:

22 A premium tax return and premium tax return information may be disclosed to the  
23 following:

24 (1) The taxpayer who is required to submit the information to the division, or his

1           designee appointed in writing; or

2       (2)   As otherwise authorized by Title 58.

3       Section 6. That chapter 58-4 be amended by adding thereto a NEW SECTION to read as  
4 follows:

5       A premium tax return and premium tax return information may be disclosed in a judicial or  
6 administrative proceeding:

7       (1)   If the information is directly related to the resolution of an issue in the proceeding;

8           or

9       (2)   To the extent required by a judicial or administrative order.