

AN ACT

ENTITLED, An Act to authorize the informal settlement of insurance examinations.

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

Section 1. That chapter 58-3 be amended by adding thereto a NEW SECTION to read as follows:

Prior to the completion of a market conduct examination, the director may request that the examiner in charge provide a draft examination report that is not to be filed under oath. The draft examination report does not constitute the conclusion of the examination and does not trigger the provisions of § 58-3-12 until filed with the division under oath. Once the division has received the draft examination report, the director may share the draft examination report with the company examined to facilitate the resolution of the examination. The examiner in charge shall submit the examination report under oath and trigger the provisions of § 58-3-12 within one hundred eighty days of the director sharing the draft examination report pursuant to this section, unless the secretary provides a longer timeframe to allow additional consideration of the draft examination report by the company being examined. Nothing in this section applies to financial examinations.

Section 2. That chapter 58-3 be amended by adding thereto a NEW SECTION to read as follows:

The provisions of §§ 58-3-10 to 58-3-18, inclusive, do not apply to the draft examination report.

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

Each draft examination report described in section 1 of this Act is confidential. No draft examination report may be released except pursuant to a court order.

An Act to authorize the informal settlement of insurance examinations.

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I certify that the attached Act  
originated in the

SENATE as Bill No. 52

\_\_\_\_\_  
Secretary of the Senate

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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 52

File No. \_\_\_\_\_

Chapter No. \_\_\_\_\_

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Received at this Executive Office  
this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

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The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,  
ss.

Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State