

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

464W0672

HOUSE COMMERCE AND ENERGY ENGROSSED NO. **HB 1236** - 02/09/2015

Introduced by: The Committee on Commerce and Energy

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding commissions received
2 by insurance producers.

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

4 Section 1. That § 58-30-174 be amended to read as follows:

5 58-30-174. No insurer or insurance producer may pay or assign a commission, service fee,
6 brokerage fee, or any other valuable consideration for a referral to any person not appropriately
7 licensed pursuant to this chapter unless the payment or assignment is a fixed dollar amount that
8 is not related to the amount of commission or premium for an insurance transaction and that is
9 not dependent upon whether the referral results in a transaction. Nothing in this chapter
10 prohibits a licensed and appointed producer upon receiving a commission from sharing this
11 compensation with other insurance producers if those insurance producers are licensed in the
12 line of business for which the original commission was received.

