

AN ACT

ENTITLED, An Act to define unfair discrimination in the business of insurance.

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

Section 1. That § 58-11-55 be amended to read as follows:

58-11-55. Except as provided in sections 2 and 3 of this Act, no insurer may refuse to issue or to renew a policy or certificate solely because of the age, residence, race, color, creed, national origin, ancestry, occupation, or marital status of the applicant or the insured. Violation of this section is a Class 2 misdemeanor.

Section 2. An insurer may use age in determining whether to issue or renew life, health, or annuity policies. An insurer may use occupation in determining whether to issue or renew a life or disability policy.

Section 3. Except as provided by § 58-15-45 and section 2 of this Act, § 58-11-55 applies to all types of insurance issued by all insurers under Title 58. However, nothing in § 58-11-55 may be construed as applying to or affecting the right of any fraternal benefit society subject to chapter 58-37A to determine its eligibility requirements for membership or be construed as applying to or affecting the offering of benefits exclusively to members or persons eligible for membership in the society by a subsidiary corporation or an affiliated organization of the society.

Section 4. The director may promulgate rules for the purpose of preventing unfair discrimination pursuant to § 58-11-55. The rules may include definition of terms, identification of general practices or nonrenewal guidelines used by insurers which would violate or be in compliance with § 58-11-55, and application practices which violate § 58-11-55. In considering the adoption of any rule pursuant to this section, the director shall consider how the rule may serve to implement the purpose of preventing unfair discrimination as prohibited by § 58-11-55 and how the rule may impact the availability and price of insurance in this state.

An Act to define unfair discrimination in the business of insurance.

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I certify that the attached Act  
originated in the

HOUSE as Bill No. 1046

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

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

Attest:

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

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

Attest:

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

House Bill No. 1046  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

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

19\_\_ at \_\_\_\_ M.

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

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The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 19\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,  
SS.  
Office of the Secretary of State

Filed \_\_\_\_\_, 19\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

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

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