

AN ACT

ENTITLED, An Act revise certain provisions regarding credit life and credit health insurance.

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

Section 1. That § 58-19-2 be amended to read as follows:

58-19-2. Terms used in this chapter mean:

- (1) "Credit health insurance," insurance on a debtor to provide indemnity for payments becoming due on a specific loan, lease, or other credit transaction while the debtor is disabled as defined in the policy;
- (2) "Credit life insurance," insurance on the life of a debtor pursuant to or in connection with a specific loan, lease, or other credit transaction;
- (3) "Creditor," the lender of money or vendor or lessor of goods, services, or property, rights or privileges, for which payment is arranged through a credit transaction, or any successor to the right, title, or interest of any such lender, vendor, or lessor, and an affiliate, associate, or subsidiary of any of them or any director, officer, or employee of any of them or any other person in any way associated with any of them;
- (4) "Debtor," a borrower of money or a purchaser or lessee of goods, services, property, rights, or privileges for which payment is arranged through a credit transaction;
- (5) "Indebtedness," the total amount payable by a debtor to a creditor in connection with a loan, lease, or other credit transaction.

Section 2. That chapter 58-19 be amended by adding thereto a NEW SECTION to read as follows:

No lessor may require a lessee to purchase credit insurance as a term or condition of the lease.

An Act revise certain provisions regarding credit life and credit health insurance.

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I certify that the attached Act  
originated in the

HOUSE as Bill No. 1249

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

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

Attest:

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

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

Attest:

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

House Bill No. 1249

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