

# State of South Dakota

EIGHTY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 2007

400N0259

## HOUSE BILL NO. 1051

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

1 FOR AN ACT ENTITLED, An Act to revise certain requirements regarding the licensing of  
2 insurance producers.

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

4 Section 1. That § 58-30-149 be amended to read as follows:

5 58-30-149. A business entity acting as an insurance producer is required to obtain an  
6 insurance producer license. Application shall be made using a form or format prescribed by the  
7 director. The director shall consider the use of a uniform form or format. Before approving the  
8 application, the insurance director shall find that:

9 ~~—(1)—~~ The the business entity has paid the fees set forth in § 58-2-29; and

10 ~~—(2)—~~ The business entity has designated a licensed insurance producer responsible for the  
11 business entity's compliance with the insurance laws and rules of this state.

12 Section 2. That § 58-30-121 be amended to read as follows:

13 58-30-121. The Division of Insurance shall charge each licensee an additional fee of twenty  
14 dollars upon renewal of the license. The fee is due on May 1, 2004, and at the beginning of each  
15 succeeding twenty-four-month period. Beginning in 2008 and each succeeding twenty-four



1 month period, the fee is due on April thirtieth. The fee shall be deposited in a separate account,  
2 entitled the South Dakota insurance producer's continuing education fund, as funding for the  
3 administration of the continuing education program. The director may withhold or not renew  
4 the license of any licensee who fails to tender timely payment of the fee.

5 Section 3. That § 58-30-180 be amended to read as follows:

6 58-30-180. An insurer or authorized representative of the insurer that terminates the  
7 appointment, employment, contract, or other insurance business relationship with an insurance  
8 producer shall notify the director within thirty days following the effective date of the  
9 termination, using a format prescribed by the director. In addition, an insurer or authorized  
10 representative of the insurer that terminates the appointment, employment, contract, or other  
11 insurance business relationship with a producer shall notify the director within thirty days  
12 following the effective date of the termination, using a format prescribed by the director in rules  
13 promulgated pursuant to chapter 1-26, if a reason for termination is one of the reasons set forth  
14 in § 58-30-167 or the insurer has knowledge the producer was found by a court, government  
15 body, or self-regulatory organization authorized by law to have engaged in any of the activities  
16 in § 58-30-167. Upon the written request of the director, the insurer shall provide additional  
17 information, documents, records, or other data pertaining to the termination or activity of the  
18 insurance producer pursuant to § 58-30-8, such information is confidential.