

State of South Dakota

EIGHTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2007

400N0259

HOUSE COMMERCE COMMITTEE ENGROSSED NO. **HB 1051** - 01/19/2007

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, if a
13 reason for termination is one of the reasons set forth in § 58-30-167 or the insurer has
14 knowledge the producer was found by a court, government body, or self-regulatory organization
15 authorized by law to have engaged in any of the activities in § 58-30-167. Upon the written
16 request of the director, the insurer shall provide additional information, documents, records, or
17 other data pertaining to the termination or activity of the insurance producer pursuant to § 58-
18 30-8, such information is confidential.