AN ACT

ENTITLED, An Act to revise certain provisions relating to life insurance refunds.

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

Section 1. That § 58-33-83 be amended to read as follows:

58-33-83. If any life insurance policy or health insurance policy is canceled before its renewal date or expiration date, other than by the death of the insured, and the insured has paid premiums in advance on the policy, the insurer shall refund to the owner of the policy the unearned portion of the premiums paid beyond the end of the month in which the cancellation occurred.

A cancellation of an automatic bank draft authorization does not constitute a request for cancellation of the policy. In the event of a cancellation of an automatic bank draft authorization without a request for cancellation of the policy, all applicable grace periods shall be provided.

This section applies to all life insurance policies, except group life insurance policies, and to all health insurance policies, except medicare supplement policies as defined in § 58-17A-1 and long term care policies as defined in § 58-17B-2.

Section 2. That § 58-33-84 be amended to read as follows:

58-33-84. If any life insurance policy or health insurance policy is canceled before its renewal date or expiration date because of the death of the insured and the premiums have been paid in advance on the policy, the insurer shall refund the unearned portion of the premiums paid beyond the end of the month in which the cancellation occurred to the named beneficiary or, if there is no named beneficiary, to the estate of the insured.

This section applies to all life insurance policies, except group life insurance policies, and to all health insurance policies in effect on July 1, 1994, or issued thereafter.

An Act to revise certain provisions relating to life insurance refunds.

I certify that the attached Act originated in the

HOUSE as Bill No. 1040

_____
Chief Clerk

_____
Speaker of the House

Attest:

_____
Chief Clerk

_____
President of the Senate

Attest:

_____
Secretary of the Senate

House Bill No. 1040
File No. ____
Chapter No. _____

Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

The attached Act is hereby approved this _____ day of _____ , A.D., 20___

_____
Governor

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

Filed _____ , 20___
at _____ o'clock __ M.

_____
Secretary of State

By _____
Asst. Secretary of State