



2020 South Dakota Legislature
Senate Bill 119
ENROLLED

AN ACT

ENTITLED An Act to revise certain provisions regarding private placement insurance.

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

Section 1. That § 58-15-26 be AMENDED:

58-15-26. Payment of claims for benefits--Private placement policies.

There shall be a provision that when a policy becomes a claim by the death of the insured, settlement shall be made upon receipt of due proof of death and, at the insurer's option, surrender of the policy or proof of the interest of the claimant, or both. If an insurer shall specify a particular period prior to the expiration of which settlement shall be made, such period may not exceed two months from the receipt of such proof. For any private placement policy, settlement may be made in cash or, if allowed under the policy, by distributing assets of the separate account to the claimant with the consent of the policyholder or the policyholder's designee, as long as the fair market value of the assets are independently verified at the time of disbursement by the insurer. In any private placement policy, the obligation of the insurer to settle that portion of the policy attributable to separate account assets is subject to the liquidity of such assets, and the insurer shall settle such portion of the policy as and when such assets can be, by their respective terms, either converted to cash, which may be later than two months after the insurer's receipt of due proof of death, or otherwise dispersible by the insurer.

An Act to revise certain provisions regarding private placement insurance.

I certify that the attached Act originated in the:

Received at this Executive Office this ____ day of _____,

Senate as Bill No. 119

2020 at _____ M.

Secretary of the Senate

By _____
for the Governor

President of the Senate

The attached Act is hereby approved this _____ day of _____, A.D., 2020

Attest:

Secretary of the Senate

Governor

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

Speaker of the House

Attest:

Filed _____, 2020
at _____ o'clock __ M.

Chief Clerk

Secretary of State

Senate Bill No. 119
File No. _____
Chapter No. _____

By _____
Asst. Secretary of State