

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

418A0419

HOUSE BILL NO. 1101

Introduced by: Representatives Brown (Richard), Barker, Broderick, Brooks, Fischer-Clemens, Gleason, Pederson (Gordon), and Schaunaman and Senators Rounds, Halverson, Lawler, Morford-Burg, Olson, and Shoener

1 FOR AN ACT ENTITLED, An Act to provide the director of insurance rule-making authority
2 to require proper disclosure and prohibit misrepresentation of life insurance policies.

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

4 Section 1. That chapter 58-33 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 The director of insurance may promulgate rules pursuant to chapter 1-26 to promote the
7 proper disclosure of the terms and conditions of life insurance policies and to prohibit the
8 misrepresentation of life insurance policies through the establishment of minimum standards for
9 the advertisement and solicitation of life insurance. The rules may include prohibitions on certain
10 marketing methods or may require disclosures of information to insureds or prospective insureds.
11 In setting the standards, the director shall consider the models adopted by the National
12 Association of Insurance Commissioners, including the Life Insurance Illustrations Model
13 Regulation.