

AN ACT

ENTITLED, An Act to revise certain provisions related to the residency of the directors of certain domestic insurers.

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

Section 1. That § 58-5-59 be amended to read as follows:

58-5-59. Each director shall be elected from and by the members or stockholders of a domestic insurer. However, directors of a domestic insurer, which is wholly owned by one or more other corporations or other legal entities, need not be stockholders. A majority of the board of directors of a domestic insurer shall be citizens and actual bona fide residents of this state, but this requirement does not apply if the insurer is a member of an insurance holding company system and is controlled by a person who is not a resident of this state or whose principal place of business is outside this state. The provisions of this section do not apply to any insurer if in excess of one thousand persons are entitled to vote in its election of directors and a majority thereof reside outside of this state or if less than one percent of its shares outstanding are owned by residents of this state.

An Act to revise certain provisions related to the residency of the directors of certain domestic insurers.

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I certify that the attached Act originated in the

SENATE as Bill No. 143

\_\_\_\_\_  
Secretary of the Senate

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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 143  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

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Received at this Executive Office this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

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The attached Act is hereby approved this \_\_\_\_\_ day of \_\_\_\_\_ , A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor

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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