



1/28/22 Legislative Report

We have now completed the 12th legislative day and have a total of 273 house bills and 168 senate bills that have been introduced. Next week is the last day for introduction of new bills, at least under the normal rules process, so we should have good idea of what issues we will be facing at the end of next week. The most significant bill we are now following is SB148 which sets new standards for agents selling annuities. SB148 has not yet been heard in committee. SB1102 is listed as an oppose bill simply because there are some potential concerns as to effect on consumers in the future and we wish to merely point out those concerns to the Legislature.

I. Support Bills

1. **HB1059** This is a Division of Insurance bill (albeit not filed as one) that allows for the withdrawal of insurance agent applications for licensure when the applicant doesn't respond. This is good in that agents who simply fail to follow through on their application won't have a regulatory black mark on their record should they ever wish to enter the insurance business. This was unanimously passed by the Commerce & Energy Committee and is now headed to the Senate.

Status: Passed House of Representative and Senate
[South Dakota House Bill 1059 \(sdlegislature.gov\)](https://sdlegislature.gov/bills-tracked/2022/house/1059)

2. **SB92** requires self-funded governmental pools to provide reports to the SD Department of Legislative Audit which includes a financial plan showing financial and coverage data and providing copies of contracts, organizational documents and premium and claims data. These plans are exempt from regulation under the insurance title.

Status: Senate Commerce & Energy Committee deferred to 41st day
[South Dakota Senate Bill 92 \(sdlegislature.gov\)](https://sdlegislature.gov/bills-tracked/2022/senate/92)

II. Neutral Bills: The following bills are ones where we are neutral, and are only watching at present:

1. **HB1029** This is a Division bill that simply changed the definition of telehealth. While this seemed innocuous, according to Wellmark this would have a large premium impact on health insurance. Based upon these concerns the committee sent this bill to the 41st day, effectively defeating the bill, at least for the time being.

Status: Deferred to 41st day by House Commerce and Energy
[South Dakota House Bill 1029 \(sdlegislature.gov\)](https://sdlegislature.gov/bills-tracked/2022/house/1029)

2. **HB1078** authorizes the use of all terrain vehicles with electric motors to be licensed as a motorcycle for use on public roads. Golf carts are excluded.

Status: Passed House

[South Dakota House Bill 1078 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/1078)

3. **HB1084** authorizes municipalities to adopt ordinances permitting the use of motorized foot scooters on any street or bike path.

Status: Passed House Local Government Committee

[South Dakota House Bill 1084 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/1084)

4. **HB1117** changes the minimum nonforfeiture requirements for individual deferred annuities

Status: Referred to House Commerce & Energy

[South Dakota House Bill 1117 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/1117)

5. **HB1130** changes the requirements for the sale of travel insurance.

Status: Referred to House Commerce and Energy

[South Dakota House Bill 1130 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/1130)

6. **HB1176** grants immunity from liability for certain camping activities

Status: Not assigned

[South Dakota House Bill 1176 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/1176)

7. **HB1230** increases the penalty for a subsequent financial responsibility violation to a class one misdemeanor.

Status: not assigned

[South Dakota House Bill 1230 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/1230)

8. **SB17** clarifies that health insurance plans and workers' compensation are not by virtue of the provisions of the chapter (34-20G the medical cannabis chapter) required to provide insurance coverage for medical cannabis. In other words, the intent is for the cannabis statutes not to create an insurance mandate.

Status: Passed Senate

[South Dakota Senate Bill 17 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/17)

9. **SB102** provides for the expansion of eligibility for Medicaid.

Status: Referred to Senate Health & Human Services

[South Dakota Senate Bill 102 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/102)

10. **SB129** removes the exception for right of way for those exceeding the speed limit.

Status: Referred to Senate Transportation

[South Dakota Senate Bill 129 \(sdlegislature.gov\)](https://sdlegislature.gov/bills/2018/129)

III. Oppose Bills

1. **HB1008** allows an employee to bring a cause of action against an employer for illnesses caused by a vaccination if the employer required the vaccination. The bill has an emergency clause and would be effective upon enactment. This would

have a detrimental effect on liability premiums and also create liability for insurance agencies that may require vaccinations.

Status: Referred to House Judiciary

[South Dakota House Bill 1008 \(sdlegislature.gov\)](https://sdlegislature.gov)

2. **SB70** increases the time frame for reporting of workers' compensation injuries from 3 days to 30 days. There was strong concern among employers and the insurance industry that this would be detrimental for workers' compensation during committee testimony.

Status: Sent to 41st legislative day by Senate Commerce & Energy Committee

[South Dakota Senate Bill 70 \(sdlegislature.gov\)](https://sdlegislature.gov)

3. **SB89** mandates individual and group health insurance coverage for hearing aids and other similar devices for those under age 19. Under current law hearing disorders are covered but hearing aids are specifically allowed to be excluded. This legislation would have the effect of increasing health insurance premiums.

Status: Referred to Senate Health and Human Services Committee

[South Dakota Senate Bill 89 \(sdlegislature.gov\)](https://sdlegislature.gov)

4. **SB148** requires agents to meet a best interest of the consumer standard in sales of annuities.

Status: Referred to Senate Commerce & Energy

[South Dakota Senate Bill 148](https://sdlegislature.gov)

5. **HB1102** changes one of the criterion for being an exempt commercial lines policyholder. Specifically it changes the aggregate premium threshold from \$100,000 to \$50,000. However, the policyholder still must meet one of the other six criteria to qualify as an exempt commercial lines policyholder.

Status: Passed House

[South Dakota House Bill 1102 \(sdlegislature.gov\)](https://sdlegislature.gov)

IV. Under Review

1. **SB160** exempts certain offerings by warranty companies from insurance regulation which include auto hail repair and theft coverage.

Status: Referred to Senate Commerce & Energy

[South Dakota Senate Bill 160 \(sdlegislature.gov\)](https://sdlegislature.gov)

V. **SB163** Sets new standards for pharmacy benefit managers.

Status: Referred to Senate Health & Human Services

[South Dakota Senate Bill 163 \(sdlegislature.gov\)](https://sdlegislature.gov)

If you have any questions at all you can contact Randy Moses or Mike Chrysler.

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