

State of South Dakota

EIGHTY-FIFTH SESSION
LEGISLATIVE ASSEMBLY, 2010

400R0276

HOUSE BILL NO. 1040

Introduced by: The Committee on Commerce at the request of the Department of Revenue
and Regulation

1 FOR AN ACT ENTITLED, An Act to revise certain provisions relating to life insurance
2 refunds.

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

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

5 58-33-83. If any life insurance policy or health insurance policy is canceled before its
6 renewal date or expiration date, other than by the death of the insured, and the insured has paid
7 premiums in advance on the policy, the insurer shall refund to the owner of the policy the
8 unearned portion of the premiums paid beyond the end of the month in which the cancellation
9 occurred.

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

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



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

2 58-33-84. If any life insurance policy or health insurance policy is canceled before its
3 renewal date or expiration date because of the death of the insured and the premiums have been
4 paid in advance on the policy, the insurer shall refund the unearned portion of the premiums
5 paid beyond the end of the month in which the cancellation occurred to the named beneficiary
6 or, if there is no named beneficiary, to the estate of the insured.

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