

## **Bulletin 74-1**

### **Industries eligible for group insurance**

March 22, 1974

The South Dakota Legislature has passed an amendment to SDCL 58-16-12 which will permit the sale of a certain type of Group Life insurance in South Dakota after July 1, 1974. SDCL 58-16-12 permits industry trust fund type group life insurance and the amendment defines "industry" for the purposes of this Statute. The amendment adds the following language: "For purposes of this chapter industry shall include, but not be limited to, the following classes, and individuals employed in one or more of such classes may establish a fund: (1) Agriculture; (2) Commerce; (3) Construction; (4) Manufacturing; (5) Retail; (6) Service; (7) Transportation; and (8) Wholesale. We will accept and review filings prior to July 1, 1974, however, the effective date of any approvals will be July 1, 1974. Before a filing made under SDCL 58-16-12 as amended will be considered, we must be satisfied that the conditions of SDCL 58-16-12 through 17 have been satisfied; this includes employer contribution requirements. Also, any filings made pursuant to these statutes must include a description of the method used to determine premium considerations received from South Dakota residents for premium tax purposes. This method must be reasonably accurate in order for your filing to be approved. Advertising and promotional material should also be submitted for our review. These filing requirements apply to all Group Life contracts which will be used to provide the insurance permitted by SDCL 58-16-12 as amended. Policies issued in other jurisdictions with coverage being marketed in South Dakota must also meet with these requirements. Policies previously approved for use under SDCL 58-16-12 and issued to groups originally permitted will not be affected by this Bulletin.

The same type of Group Health insurance is permitted under SDCL 58-18-4. For the purposes of defining what industries are eligible for this type of Group Health insurance, the classifications found in SDCL 58-16-12 as amended will be permitted. Any Group Health contract to be issued to the trustees of a fund for one of these newly defined industries will be subject to the July 1, 1974 effective date. The requirements regarding premium tax and promotional material also apply to these Group Health filings. SDCL 58-18 applies to Group Health insurance being solicited in this State regardless of where the policy is issued.'

Ralph A. Nauman  
Commissioner of Insurance