

Memorandum Bulletin of April 24, 1989

Notice — automobile policies

April 24, 1989

HB 1219 which amended SDCL 32-35-70 and addressed the exclusions used in automobile policies and South Dakota's Financial Responsibility Law (FRL) became law on March 15, 1989. The bill provides that any policy issued after January 1, 1987, which has been approved by the Division and complies with Title 58, and owners and drivers who have such policies are in compliance with the FRL.

Before the bill was passed and became law, there were serious questions whether an automobile policy which has exclusions met the FRL. The FRL did not allow for any exclusions to an owner's liability; yet many policies have exclusions. The law is meant to resolve this problem by providing any policy approved by the Division, which would include policies with exclusions, meets the requirements of Chapter 32-35.

A copy of the bill is enclosed. {Footnote 1}

Mary Jane Cleary
Director of Insurance