

Highlights of the Week

- Only six days left of the main run of the 2026 Legislative Session.
- Committee hearings are a little quieter as bills make their way through the non-house of origin.
- The next big deadline is Monday, March 9, which is the last day for a bill to pass both chambers.
- The Session meets through Thursday of this week, and then Monday through Thursday, March 9-12, of next week.

HB 1006 An Act to create a taskforce to study the creation of Indian Medicaid managed care entities in the state.

Sponsors: Representative Mortenson & Senator Grove

Summary: The bill establishes the Indian Medicaid Managed Care Model taskforce to study the creation of Indian Medicaid managed care entities in South Dakota. The taskforce will include representatives from each federally recognized Indian tribe in the state, the secretaries or designees from the Departments of Social Services, Health, and Tribal Relations, two members from both the House of Representatives and the Senate, a representative from the United States Bureau of Indian Affairs, and members appointed by the Executive Board of the Legislative Research Council, including a healthcare provider, a healthcare insurance provider, and a healthcare administrator. The bill was amended in committee to reflect that the DSS, rather than the DOH, will provide administrative support to the taskforce.

NAIFA Position: Monitor

Status: Passed House Health and Human Services Committee as amended (12-1) on January 29; passed House of Representatives (60-7) on February 3; scheduled for hearing in Senate Health and Human Services Committee on March 4.

HB 1023 An Act to establish requirements and liability protection for registered nurses and licensed practical nurses serving on ambulance crews.

Sponsors: Representative Walburg and Senator Grove

Summary: SDCL § 34-11-12 currently requires each ambulance run to include one emergency medical technician or advanced life support personnel and one certified ambulance operator. Amendment 1023A adds to the alternatives in the first category a licensed practical nurse or registered nurse may accompany the ambulance operator. The LPN

Bill Watch

House Bills

<i>HB 1006</i>	<i>HB 1150</i>
<i>HB 1023*</i>	<i>HB 1153</i>
<i>HB 1024*</i>	<i>HB 1163</i>
<i>HB 1044*</i>	<i>HB 1166</i>
<i>HB 1059</i>	<i>HB 1171</i>
<i>HB 1061</i>	<i>HB 1180</i>
<i>HB 1085</i>	<i>HB 1199</i>
<i>HB 1101</i>	<i>HB 1210</i>
<i>HB 1119</i>	<i>HB 1224</i>
<i>HB 1125</i>	<i>HB 1225</i>
<i>HB 1130</i>	<i>HB 1238</i>
<i>HB 1134</i>	<i>HB 1248</i>
<i>HB 1135</i>	<i>HB 1292</i>
<i>HB 1136</i>	<i>HB 1302</i>
<i>HB 1138</i>	<i>HB 1303</i>

HCR 6004

HJR 5002

Senate Bills

<i>SB 6</i>	<i>SB 161</i>
<i>SB 36</i>	<i>SB 168</i>
<i>SB 84*</i>	<i>SB 169</i>
<i>SB 86</i>	<i>SB 172</i>
<i>SB 89</i>	<i>SB 182</i>
<i>SB 98</i>	<i>SB 184</i>
<i>SB 100</i>	<i>SB 199</i>
<i>SB 119</i>	<i>SB 211</i>
<i>SB 120</i>	<i>SB 233</i>
<i>SB 121</i>	<i>SB 244</i>
<i>SB 122</i>	<i>SB 245</i>
<i>SB 153</i>	

Bills that are Struck Through have been killed in some manner, and are not included in this report.

** Signed by Governor*

or RN must demonstrate competence in providing emergency care, must be within the scope of practice, and must be under the supervision of the medical or program director. As long as those conditions are met, an RN or LPN is not civilly liable for the services provided to the ambulance service. Testimony in committee was that nurses have always been engaged in emergency services. This officially adds them to Title 34.

NAIFA Position: Monitor

Status: Signed by the Governor on February 9.

HB 1024 An Act to modify requirements for ambulance operators.

Sponsors: Representative Walburg and Senator Grove

Summary: This bill provides that ambulance operators must be at least eighteen years old, possess a driver's license, and (1) be a licensed emergency medical services personnel, (2) a firefighter (added by amendment in committee), (3) a law enforcement officer, or (4) a person who meets specific training and certification criteria. The hours of instruction for an emergency vehicle operator course is reduced from 16 hours to 6 hours.

NAIFA Position: Monitor

Status: Signed by the Governor on February 9.

HB 1044 An Act to make an appropriation to implement the rural health transformation program, and to declare an emergency.

Sponsor: The Chair of the House Committee on Appropriations at the request of the Department of Health

Summary: As introduced, this bill appropriated \$500,000,000 in federal fund expenditure authority to the Department of Health for implementing the rural health transformation program in South Dakota. The amount of the appropriation was amended in committee to \$402,000,000. The DOH is also required to submit quarterly expense reports to Legislative Audit and the LRC of expenditures made. Any amount appropriated but not expended or obligated by October 30, 2027, reverts to the state.

NAIFA Position: Monitor

Status: Signed by the Governor on January 29.

HB 1059 An Act to increase the amounts required in a motor vehicle liability policy.

Sponsors: Representative Sjaarda and Senator Perry

Summary: This bill increases the minimum coverage amounts for motor vehicle liability insurance, as follows: from \$25,000 to \$50,00 bodily injury or death of one person in any one accident; from \$50,000 to \$100,000 for bodily injury or death of two or more persons in any one accident; from \$25,000 to \$50,000 for injury to or destruction of property of others in any one accident.

NAIFA Position: Monitor

Status: Deferred to the 41st legislative day in House Transportation Committee on January 22.

HB 1061 An Act to require the acceptance of cash as payment in certain transactions.

Sponsors: Representative Sjaarda and Senator Perry

Summary: This bill requires a person providing goods or services in an in-person transaction to accept payment in cash if the transaction amount is \$100 or less. A person selling goods or

services may not charge a higher price for cash payments. An amendment provided that the chapter does not apply to a transaction for a rental agreement of a rental car.

NAIFA Position: Monitor

Status: Deferred to the 41st legislative day in House Commerce and Energy Committee on January 23.

HB 1085 An Act to establish provisions for the coverage of nonopioid prescription drugs.

Sponsor: Representative Mulder

Summary: This bill prohibits a policy of health insurance from denying coverage of a nonopioid drug in favor of an opioid drug, if prescribed by a licensed physician or other health care practitioner. It prohibits a health insurer from imposing prior authorization, step therapy, or other utilization controls on nonopioid drugs that are more restrictive than the least restrictive requirements applicable to an opioid or narcotic drug. Insurers may not place any nonopioid drugs in a tier with a cost sharing responsibility that exceeds the lowest cost sharing responsibility required for any opioid or narcotic drug.

NAIFA Position: Oppose

Status: Deferred to the 41st legislative day in House Health and Human Services Committee (10-3) on January 29.

HB 1101 An Act to prohibit an insurer from declining or limiting life, disability, or long-term care insurance policies based solely on an individual's status as a living organ donor.

Sponsors: Representative Uhre-Balk and Senator Davis

Summary: This bill prohibits an insurer from denying or limiting coverage under a life, disability, or long-term care insurance policy solely due to the status of the individual as a living organ donor. It also prohibits an insurer from conditioning the continuation of a policy on an insured's not becoming a living organ donor, or otherwise discriminating against an insured based solely upon his/her status as a living organ donor.

NAIFA Position: Monitor

Status: Passed both Chambers and awaiting delivery to the Governor.

HB 1119 An Act to modify provisions regarding directors serving on a farm mutual insurer's board.

Sponsors: Representative Walburg and Senator Crabtree

Summary: Under current law, a director of a farm mutual insurer must be a member of the insurer, and the number of directors may not exceed 11. As a result of DeSmet Farmers Mutual Insurance Company's affiliation with another farm mutual company (Goodville), this bill was introduced to expand the number of directors that can serve on the board to 15 and to allow members of an affiliate to be on the board of directors of a farm mutual insurance company.

NAIFA Position: Monitor

Status: Passed both Chambers and awaiting delivery to the Governor.

HB 1125 An Act to create a taskforce to study the impact of artificial intelligence systems on the state.

Sponsors: Representative Jorgenson and Senator Howard

Summary: This bill establishes a taskforce to study the continued technological development and impact of artificial intelligence systems on the state. The taskforce consists of 18 members,

one of which represents the health care industry. The taskforce is required to submit a report to the Executive Board of LRC by December 1, 2028, after which it is dissolved. The effective date of the Act is January 1, 2027. The bill was amended to include a law enforcement officer on the task force. The January 1, 2027 effective date was removed on the House floor.

NAIFA Position: Monitor

Status: Passed House State Affairs Committee as amended (7-5) on February 2; failed House of Representatives as amended (26-43) on February 4.

HB 1130 An Act to amend permissible uses of a school district's capital outlay fund.

Sponsors: Representative Drew Peterson and Senator Schoenfish

Summary: This bill expands the list of permissible expenditures from a school district's capital outlay fund. Among other things, the fund may be used for the payment of premiums for any insurance policy held by the school district.

NAIFA Position: Monitor

Status: Passed both Chambers and awaiting delivery to the Governor.

HB 1134 An Act to make an appropriation for the economic development prosperity of South Dakota.

Sponsor: Representative Derby

Summary: This is one of several placeholder bills that we monitor to make sure they are not amended into a topic of interest to us. This bill appropriates \$101 from the general fund to the state for the purpose of the economic prosperity of South Dakota.

NAIFA Position: Monitor

Status: Passed House Appropriations Committee (9-0) on February 23; passed House of Representatives (56-10) on February 24; passed Senate Appropriations Committee (8-1) on March 2.

An Act to make an appropriation to enhance the economic health of South Dakota.

Sponsor: Representative Derby

Summary: This placeholder bill appropriates \$101 from the general fund to the state for the purpose of enhancing the economic health of South Dakota.

NAIFA Position: Monitor

Status: Passed House Appropriations Committee (9-0) on February 23; passed House of Representatives (58-8) on February 24; passed Senate Appropriations Committee (8-1) on March 2.

HB 1136 An Act to make an appropriation for the development of South Dakota.

Sponsor: Representative Derby

Summary: This placeholder bill appropriates \$101 from the general fund to the state for purposes of developing South Dakota.

NAIFA Position: Monitor

Status: Tabled in House of Representatives (63-3) on February 24.

HB 1138 An Act to require the licensure of non-medial home care agencies, and to provide a penalty therefor.

Sponsors: Representative Heermann and Senator Sauder

Summary: This bill requires a non-medical home care agency to be licensed by the Department of Health. To obtain a license, the non-medical home care agency must ensure that any home care aide employed by the agency has completed at least 8 hours of training in the provision of non-medical home care services, including 2 hours on basic care of individuals with Alzheimer's and dementia and 8 hours on maintenance of a clean and safe environment. It was amended in committee (1138A) to require non-medical home care agencies to carry professional liability insurance and to require employees of the agency to submit to a criminal background check. The total hours of training was reduced from 8 to 6 hours. A second amendment (1138B) was adopted to clarify that home care aides must be employed by a non-medical home care agency as a regular part of business. Amendment 1138C was adopted by the House, after the bill was smoked out and calendared. This amendment requires the client to be at least 18 years of age, the home care aide must receive wages for services rendered, and non-medical home care services must include two or more of the services listed in the bill, from which transportation was excluded. Aides are required to complete the training within the first six months of employment.

NAIFA Position: Monitor

Status: Deferred to the 41st legislative day in House Health and Human Services Committee (8-4) on February 10; smoked out on the House floor and calendared (48-19) on February 18; passed House of Representatives as amended (41-25) on February 19; scheduled for hearing in Senate Health and Human Services Committee on March 4.

HB 1150 An Act to make an appropriation to increase the rate of payment for federally qualified health centers.

Sponsors: Representative Walburg and Senator Sauder

Summary: This bill appropriates \$4,000,000 from the general fund and grants \$4,000,000 in federal fund expenditure authority to the Department of Social Services to increase payment rates for services described in § 28-6-1 (Medical Services to the Indigent).

NAIFA Position: Monitor

Status: Tabled in Joint Appropriations Committee (16-0) on February 25.

HB 1153 An Act to protect certain rights of healthcare providers.

Sponsor: Representative Heinemann and Senator Mehlhaff

Summary: This bill provides that a healthcare provider may not be required to participate in or pay for a medical service that violates the provider's conscience. Of interest is that health plans and insurance companies are included in the definition of healthcare provider. A minor amendment was placed on the bill in committee.

NAIFA Position: Monitor

Status: Passed House Health and Human Services Committee as amended (8-5) on February 5; failed House of Representatives (25-41) on February 10.

HB 1163 An Act to prohibit certain persons from requiring genetic-based vaccinations.

Sponsor: Representative Andera

Summary: This bill prohibits requiring "genetic-based vaccinations" in specified contexts and amends existing public health treatment provisions. An individual may not be required to receive a genetic-based vaccination for treatment of a disease or condition that is the subject of a declared public health emergency. Employers may not require an individual to receive a genetic-based vaccination as a condition of employment. The prohibitions do not apply if compliance

would violate Centers for Medicare or Medicaid or CDC regulations. Other exceptions include community mental health centers, community services/support providers, health care facilities, and intermediate care facilities for individuals with intellectual disabilities, vaccinations required for school or early childhood program admission, court-ordered genetic-based vaccinations, and the South Dakota National Guard.

NAIFA Position: Monitor

Status: Passed House Health and Human Services Committee (8-5) on February 19; failed House of Representatives (32-35) on February 20.

HB 1166 An Act to require financial interest statements from members of certain state authorities, boards, and commissions, and to provide a penalty therefor.

Sponsor: Representative Muckey & Senator Reed

Summary: This bill requires financial interest statements from those serving on state boards to be filed annually with the Secretary of State. The SOS transmits such statements to GOAC. The requirement applies to members serving on the Board of Technical Education.

NAIFA Position: Monitor

Status: Withdrawn at the Request of the Prime Sponsor.

HB 1171 An Act to establish provisions related to the disclosure of COVID-19 and mRNA vaccination status and blood donations.

Sponsors: Representative Garcia and Senator Carley

Summary: The bill requires any person collecting human blood for transfusions to require donors to disclose whether they have ever received a COVID-19 or mRNA vaccination. If a donor reports having received a COVID-19 or mRNA vaccination, the blood bag must be conspicuously labeled to indicate that status, without including personally identifiable information. In nonemergency situations, a patient may request blood from a donor who either has or has not received a COVID-19 or mRNA vaccination, and the health care professional must use the requested blood if it is available at that facility.

NAIFA Position: Monitor

Status: Passed House Health and Human Services Committee (7-5) on February 12; failed House of Representatives (23-42) on February 17.

HB 1180 An Act to ensure the validity of non-compete agreements in the context of jointly owned business entities.

Sponsors: Representative Mortenson and Senator Kolbeck

Summary: This bill addresses the validity of non-compete agreements in jointly owned business entities. The bill adds a new section to Chapter 53-9 permitting parties, in a governing document or in a contract for the purchase, sale, or transfer of an ownership interest, to agree that an owner, after transferring its interest, may not engage in the same or similar business as the entity. Any such non-compete must be limited to the geographic area where the entity conducts business and to a duration not exceeding three years from the date of the ownership transfer.

NAIFA Position: Monitor

Status: Passed House Judiciary Committee (10-1) on February 6; passed House of Representatives (63-2) on February 9; passed Senate Commerce and Energy Committee (7-0 consent) on March 3.

HB 1199 An Act to address preauthorization requirements for certain health care services and utilization review requirements for certain health benefit plans.

Sponsors: Representative Rehfeldt and Senator Davis

Summary: This bill is nearly identical to the preauthorization bill from last year. It prohibits an insurer that uses a preauthorization process for a health care service from requiring a provider to obtain preauthorization for the particular health care service if the provider has been approved for the service at least 90% of the time in the last twelve months. Once a provider receives an exemption from pre-authorization, it would be difficult for the insurer to rescind it. All costs of review are borne by the insurer. If the insurer's utilization review organization questions the medical necessity of a service, there must be a "meet and confer" before an adverse determination can be made. If the requested service is made by a physician, the meet and confer must be with another physician of the same or a similar specialty. A compromise was reached. Amendment 1199A was adopted in committee that mirrors the Iowa preauthorizaation bill passed last year.

NAIFA Position: Monitor.

Status: Passed House Health and Human Services Committee as amended (13-0 consent) on February 17; passed House of Representatives (65-1) on February 19; passed Senate Health and Human Services Committee (7-0 consent) on March 2; passed Senate (34-0) on March 3.

HB 1210 An Act to prohibit COVID-19 vaccination requirements and to provide a penalty therefor.

Sponsor: Representative Garcia

Summary: This bill prohibits any employer, educational institution, state agency, political subdivision, or other person from requiring an individual to receive a COVID-19 vaccination as a condition of employment, enrollment, or for receiving a benefit or service.

NAIFA Position: Monitor

Status: Passed House Health and Human Services Committee (8-5) on February 19; failed House of Representatives (32-35) on February 20.

HB 1224 An Act to protect persons from discrimination by financial institutions.

Sponsor: Representative Lems and Senator Hulse

Summary: This bill adds a new chapter in Title 51A to protect persons from discrimination by financial institutions. A financial institution may not agree, conspire, or coordinate—directly or indirectly, including through intermediaries—to engage in discriminatory activity. A person may request, within 90 days of an adverse action, a statement of reasons from the financial institution via electronic means, telephone, or mail to customer service or account representatives. Decisions based solely on valid business factors in an impartial, good-faith manner are permitted, including maximizing profitability/shareholder value without retaliatory motives, complying with legitimate legal/regulatory requirements, and maintaining safety and soundness of the institution or its employees.

NAIFA Position: Monitor

Status: Deferred to the 41st legislative day in House Commerce and Energy Committee (9-4) on February 20.

HB 1225 An Act to enhance the future of education in South Dakota.

Sponsor: Representative Healy

Summary: This placeholder bill requires the Legislature to enhance the future of education in South Dakota.

NAIFA Position: Monitor

Status: Tabled in House State Affairs Committee (12-0) on February 23.

HB 1238 An Act to protect financial institutions taking action to prevent the financial exploitation of consenting, senior, or vulnerable adults.

Sponsors: Representative Heermann and Senator Kolbeck

Summary: The bill grants immunity from civil, criminal, or administrative liability to financial institutions, their holding companies, and their personnel for delaying/refusing transactions that they suspect may involve financial exploitation of elderly or vulnerable adults.

NAIFA Position: Monitor

Status: Passed House Commerce and Energy Committee (11-1) on February 11; passed House of Representatives (56-6) on February 12; passed Senate Commerce and Energy Committee (8-0 consent) on March 3.

HB 1248 An Act to amend provisions of the Uniform Commercial Code.

Sponsors: Representative Auch

Summary: This bill prohibits an investment firm from pledging an individual's investment account for the firm's debt. It also amends the claim priorities and establishes choice-of-law jurisdiction of the UCC, thereby making our laws different from those used throughout the rest of the country.

NAIFA Position: Oppose

Status: Deferred to the 41st legislative day in House Judiciary Committee (12-1) on February 20.

HB 1292 An Act to limit the ability of a health carrier to recoup, recover, or retroactively deny previously paid claims.

Sponsor: Representative Heermann

Summary: The first section of this bill provides that with limited exceptions, a previously paid claim may be recouped, recovered, or retroactively denied by a health carrier within eighteen months from the date the claim was paid, if the health carrier has provided written notice of the reason. The second section establishes a new process for retroactively denying a previously paid claim, including written notification by the health carrier to the provider at least 30 days in advance of the retroactive denial. If there is a dispute between the provider and the health carrier, either may request a mandatory review by the Division of Insurance, who provides a recommendation for a resolution. Amendment 1292B was adopted in committee. It retains Section 1 of the bill, excludes dental services, pharmaceutical services and provisioning of prescription drugs; and strikes most of Section 2.

NAIFA Position: Monitor

Status: Passed House Commerce and Energy Committee as amended (12-1) on February 18; passed House of Representatives (67-0) on February 20; passed Senate Health and Human Services Committee (7-0 consent) on March 2.

HB 1302 An Act to address issues facing South Dakota.

Sponsor: The Committee on State Affairs

Summary: This placeholder bill requires the Legislature to address issues facing South Dakota.

NAIFA Position: Monitor

Status: Passed House State Affairs Committee (10-2) on February 23; passed House of Representatives (57-9) on February 24; scheduled for hearing in Senate State Affairs Committee on March 4.

HB 1303 An Act to promote the future success and development of South Dakota.

Sponsor: The Committee on State Affairs

Summary: This placeholder bill requires the Legislature to promote the future success and development of South Dakota.

NAIFA Position: Monitor

Status: Passed House State Affairs Committee (10-2) on February 23; passed House of Representatives (57-9) on February 24; scheduled for hearing in Senate State Affairs Committee on March 4.

HCR 6004 A Concurrent Resolution encouraging the use of physical cash in transactions.

Sponsors: Representative Sjaarda and Senator Perry

Summary: This Resolution strongly encourages citizens of South Dakota to pay with physical cash whenever and wherever possible, because use of physical cash, among other advantages, ensures more money stays within the state. The Resolution also strongly encourages businesses in this state to offer a discount for using physical cash in transactions.

NAIFA Position: Monitor

Status: Passed House Commerce and Energy Committee (8-4) on January 23; passed House of Representatives (43-24) on January 26; committee hearing waived in the Senate; failed to pass Senate (16-18) on January 28.

HJR 5002 A Joint Resolution proposing and submitting to the voters at the next general election an amendment to the Constitution of the State of South Dakota, repealing the requirement to provide expanded medicaid.

Sponsors: Representative Aylward and Senator Howard

Summary: South Dakota expanded medicaid eligibility by way of constitutional amendment, effective July 1, 2023. Medicaid benefits are available to any person over eighteen and under sixty-five whose income is at or below 133% of the federal poverty level plus 5% of the federal poverty level for applicable family size, as authorized by federal law. Eligible persons receive coverage that meets or exceeds the federal benchmarks. This Resolution repeals expanded medicaid as set forth in Article IIX, § 10 of the SD Constitution.

NAIFA Position: Monitor

Status: Passed House State Affairs Committee (8-4) on January 28; failed House of Representatives (27-39) on January 29.

SENATE BILLS

SB 6 An Act to reduce the duration of an individual's reemployment benefits.

Sponsors: Senator Rohl and Representative Bahmuller

Summary: Under current law, an individual's maximum reemployment benefit amount is one-third of the individual's total base period wages in covered employment not to exceed twenty-six times the individual's weekly benefit amount. This bill reduces the multiplier from twenty-six

weeks to twelve weeks (to twenty-two as amended) and also reduces the trade adjustment duration of an individual's reemployment benefits from twenty-six to twelve weeks (to twenty-two as amended). There was an attempt to place a hoghouse amendment on the bill dealing with consumer access to E-15 gasoline, but interested parties were unable to reach agreement, and the prime sponsor requested the committee to table the bill.

NAIFA Position: Monitor

Status: Tabled in Senate Commerce and Energy Committee (6-0) on February 19.

SB 36 An Act to authorize utilities to establish wildfire mitigation plans and associated liability limitations for wildfire damages.

Sponsors: Senator Kolbeck and Representative Goodwin

Summary: This is a wildfire mitigation bill introduced by the electric utilities. If an electric utility complies with its wildfire mitigation plan as approved by its approval authority, the utility receives limited liability protection, including a rebuttable presumption that the utility engaged in wildfire prevention measures. Minor amendments were made in committee, and the filing fees for IOUs were stricken on the Senate floor to avoid the requirement of a two-thirds vote. The bill was further amended on the House side as a result of a compromise between proponents and some of the opponents to the bill.

NAIFA Position: Monitor

Status: Passed Senate Commerce and Energy Committee as amended (6-3) on January 27; passed Senate as amended (29-4) on January 29; passed House Commerce and Energy Committee as amended (11-0) on February 25; passed House of Representatives (63-2) on March 2.

SB 84 An Act to increase thresholds for the value of and eligibility for the partners in education scholarship.

Sponsors: Senator Peterson and Representative Jorgenson

Summary: Under the partners in education scholarship program (SDCL 13-65), insurance companies are eligible for a credit on premium taxes for participation in this scholarship program, which enables low-income children to attend private schools. This bill increases the average value of all scholarships from 82.5% of the state's share of the per student equivalent to the per student equivalent. The eligibility requirements are also increased. To qualify, the household income of the student cannot exceed 200% of the income standard for free lunches (currently 150%). The bill was amended on the Senate floor to provide that once a student meets the initial income eligibility requirement, the student remains eligible for three years or until high school graduation, regardless of household income. Thereafter, a student remains eligible if the student's household income does not exceed 250% of the income standard for free or reduced-price lunches.

NAIFA Position: Monitor

Status: Signed by the Governor on February 6.

SB 86 An Act to authorize purchasing agency verification and monitoring of workers' compensation insurance coverage obtained by public improvement contractors.

Sponsors: Senator Sue Peterson and Representative Jorgenson

Summary: This bill requires the contractor of a public improvement for a purchasing agency to verify it has obtained workers' compensation insurance prior to commencement of any

contracted service. The purchasing agency, which is any governmental body or officer authorized to enter into contracts, is required to monitor the status of the contractor's workers' compensation insurance coverage by requesting the contractor to provide proof of payment of insurance premiums, a list of all subcontractors involved, payroll records of the contractor's employees and subcontractor's employees who are involved with the contract, and any other information deemed necessary to prevent the occurrence of workers' compensation fraud.

NAIFA Position: Monitor

Status: Deferred to the 41st legislative day in Senate Commerce and Energy Committee (5-4) on January 27.

SB 89 (Amended Title) An Act to ~~require that counties and municipalities provide emergency medical services within their jurisdictions and create a task force to study the provision of emergency medical services as an essential service and the funding thereof.~~

Sponsors: Senator Reed and Representative Emery

Summary: As amended, this bill requires the Executive Board of LRC to establish the Emergency Medical Services Task Force to examine mechanisms to fund counties and municipalities for the provision of emergency medical services as an essential service. The task force consists of chairs of the health and human services and the taxation committees, four members of the House and three members of the Senate appointed by the Executive Board. The bill was amended in the House Health and Human Services Committee to add to the duties of the task force examination of policies for ambulance service payments, including reimbursement standards for out of network emergency medical services, which was the subject of SB 211.

NAIFA Position: Monitor

Status: Passed Senate Health and Human Services Committee as amended (7-0) on February 2; passed Senate as amended (27-7) on February 4; passed House Health and Human Services Committee as amended (13-0) on February 24; passed House of Representatives (61-5) on February 26; Senate concurred in House amendments (29-4) March 3.

SB 98 An Act to prevent virtual currency kiosk fraud.

Sponsor: Senatore Kolbeck and Representative Weisgram

Summary: This bill attempts to provide protections for users of virtual currency kiosks. It requires them to be licensed by the Division of Banking. For each virtual currency transaction, the licensee must provide a description of the type, value, and time of the transaction, the exchange rate to the US dollar, and a statement of the licensee's refund policy. The licensee must also describe the material risks associated with the transaction, including that virtual currency is not subject to FDIC protection. Section 7 of the bill requires a licensee to issue a full refund to any user that is the victim of a fraudulent virtual currency transaction. The bill was amended in committee to increase the permissible percentage of fees a licensee may charge for a single virtual currency transaction from 3% to 25% of the amount of the transaction. The bill imposes a daily transaction limit of \$1,000 and a 30 day transaction limit of \$10,000. This bill is the product of efforts of a lot of stakeholders, including the Division of Banking, AARP, and the SD Bankers Association.

NAIFA Position: Monitor

Status: Passed Senate Commerce and Energy Committee as amended (7-0 consent) on February 10; removed from Consent Calendar on February 12; passed Senate (31-2) on February 17;

passed House Commerce and Energy Committee (10-2) on March 2; passed House of Representatives (59-7) on March 3.

SB 100 An Act to revise provisions related to trusts.

Sponsors: Senator Crabtree and Representative Stevens

Summary: This bill makes several revisions to SDCL 55-1, dealing with trusts. One of the provisions is that if there is a policy of insurance on the trustor's life held in the trust, the cash value of the policy may not be used to reimburse the trustors or to pay an appropriate taxing authority on the trustor's behalf.

NAIFA Position: Monitor

Status: Passed Senate Commerce and Energy Committee (8-0 consent) on February 3; passed Senate (34-0) on February 4; passed House Judiciary Committee (11-1) on February 25; passed House of Representatives (64-2) on February 26.

SB 119 (Amended Title) An Act to ~~make an appropriation to enhance health of South Dakota create the capitol restoration fund and to transfer moneys thereto.~~

Sponsor: Senator Otten

Summary: As amended, this bill creates a capitol restoration fund, and appropriate \$25 million from the general fund to the new fund for the purpose of restoring, renovating, and improving the state capitol building. The amount of the appropriation was reduced to \$101 by the Senate.

NAIFA Position: Monitor

Status: Passed Senate Appropriations Committee as amended (5-3) on February 23; passed Senate as amended (21-12) on February 24; scheduled for hearing in House Appropriations Committee on March 5.

SB 120 An Act to make an appropriation for the economic development of South Dakota.

Sponsor: Senator Otten

Summary: This placeholder bill appropriates \$101 to the state for purposes of the economic development of South Dakota.

NAIFA Position: Monitor

Status: Passed Senate Appropriations Committee (7-1) on February 23; passed Senate (33-0) on February 24; scheduled for hearing in House Appropriations Committee on March 5.

SB 121 An Act to make an appropriation for developing the economic viability of South Dakota.

Sponsor: Senator Otten

Summary: This placeholder bill appropriates \$101 to the state for purposes of developing the economic viability of South Dakota.

NAIFA Position: Monitor

Status: Passed Senate Appropriations Committee (7-1) on February 23; passed Senate (33-0) on February 24; scheduled for hearing in House Appropriations Committee on March 5.

SB 122 (Amended Title) An Act to establish ~~a duty to assist in an emergency the crime of failure to summon aid for a suicide attempt and provide a penalty therefor.~~

Sponsors: Senator Perry and Representative Baxter

Summary: As amended, this bill requires a person to summon aid if they are physically present at the scene of a suicide attempt and know that another individual is attempting suicide or has

inflicted self-harm that creates an imminent risk of serious bodily injury. If the bystander intentionally fails to contact law enforcement or medical personnel, they are guilty of a Class 1 misdemeanor. A defense can be raised if that person reasonably feared imminent harm, believed aid had already been summoned, or is under the age of 18.

NAIFA Position: Monitor

Status: Passed Senate Judiciary Committee as amended (7-0) on February 5; passed Senate (24-9) on February 9; scheduled for hearing in House Judiciary Committee on March 4.

SB 153 An Act to prohibit certain restrictions in employment contracts for community services providers.

Sponsor: Senator Grover

Summary: This bill adds to the prohibition against noncompete provisions for practitioners in SDCL § 53-9-11.2 community service providers, defined as a person or entity who provides services to persons with developmental disabilities.

NAIFA Position: Monitor

Status: Passed both Chambers and awaiting delivery to the Governor.

SB 161 An Act to repeal an exemption for certain health care facilities.

Sponsor: Senator Pischke

Summary: This bill does what the title indicates. It repeals SDCL § 10-4-9.3, which is the exemption from taxation of property used primarily for human health care and health care related purposes. The bill also repeals the tax exemption of wellness centers (SDCL § 10-4-35).

NAIFA Position: Monitor

Status: Deferred to the 41st legislative day in Senate Taxation Committee (6-0) on February 11.

SB 168 (Amended Title) An Act to regulate the use of ~~chatbots by minors~~ a conversational AI service.

Sponsor: Senator Larson

Summary: This bill regulates public conversational AI services interacting with minors. As amended, the bill provides that if a reasonable individual might think they are interacting with a human, the operator must clearly disclose the interaction is with AI. If the operator has a reasonable certainty that an account holder is a minor, they may not provide points or other rewards. The operator must ensure that the service does not produce sexually explicit material or statements. An operator may not indicate that the service is designed to provide professional mental or behavioral health care.

NAIFA Position: Monitor

Status: Deferred to the 41st legislative day in Senate Judiciary Committee (6-0) on February 12.

SB 169 An Act to place requirements on the use of artificial intelligence systems by health carriers in making determinations about the provision of health care services.

Sponsor: Senator Larson

Summary: This bill places restrictions on a health carrier's use of AI. If AI is used for the purpose of utilization review, it must be based on a patient's medical or other clinical history. AI utilization must be applied equally for all patients, and it must be configured and applied consistently for all subscriber groups and individuals covered by the plan. Any adverse determination may be made only by a licensed physician or health care professional. Health

carriers must report use of AI to the Executive Board of the LRC on or before December 1 of each year. The Division of Insurance may inspect a health carrier's automated system to ensure AI is being used properly, and may report noncompliant use to the attorney general, who may direct the carrier to cease and desist from engaging in further noncompliant activities.

NAIFA Position: Oppose

Status: Withdrawn at the Request of the Prime Sponsor.

SB 172 An Act to enhance the economy of South Dakota.

Sponsor: Senator Larson

Summary: This is another placeholder bill that requires the Legislature to enhance the economy of South Dakota.

NAIFA Position: Monitor

Status: Tabled in Senate State Affairs Committee (8-1) on February 23.

SB 182 An Act to address the tax situation in South Dakota.

Sponsor: Senator Larson

Summary: This placeholder bill requires the Legislature to address the tax situation in South Dakota.

NAIFA Position: Monitor

Status: Withdrawn at the Request of the Prime Sponsor.

SB 184 An Act to enhance public education in South Dakota.

Sponsor: Senator Larson

Summary: This placeholder bill requires the Legislature to enhance public education in South Dakota.

NAIFA Position: Monitor

Status: Withdrawn at the Request of the Prime Sponsor.

SB 199 An Act to establish a new fund to provide property tax relief.

Sponsors: Senator Karr and Representative Aylward

Summary: There are many tax reform bills that have been filed, but I find this one interesting. It creates a property tax relief fund. On or before August first of 2026, the state treasurer is directed to transfer from the general fund into the property tax relief fund 25% of the annual increase in general fund moneys in the 2026 fiscal year over the 2025 fiscal year. If there is no increase, the amount deposited into the fund is zero. In subsequent years, the amount deposited into the fund is the amount that was deposited in the previous fiscal year plus 25% of the annual increase in general fund moneys in the previous fiscal year.

NAIFA Position: Monitor

Status: Passed Senate Taxation Committee (4-3) on February 20; Prime Sponsor Changed at the Request of the Prime Sponsor; failed Senate (16-17) on February 23.

SB 211 An Act to prohibit certain billing practices by ambulance service providers and establish reimbursement standards for out-of-network emergency medical services.

Sponsor: Senator Deibert

Summary: This bill prohibits balance billing of patients by an out-of-network ambulance service provider. A health benefit plan must reimburse an out-of-network ambulance service provider of

emergency services the lesser of the provider's billed charge or 275% (as amended) of the Medicare allowable rate for the same service.

NAIFA Position: Oppose reimbursement rate.

Status: Passed Senate Health and Human Services Committee as amended (5-2) on February 18; failed Senate (17-16) on February 24.

SB 233 An Act to prohibit the assessment of certain administrative fees or penalties related to the provision of care by an out-of-network provider.

Sponsors: Senator Davis and Representative Heermann

Summary: This bill prohibits a health carrier from assessing or imposing an administrative fee or penalty on a health care provider who provided care to a patient that involved an out-of-network provider. Out-of-network provider is defined as any item or service who is not a participating provider.

NAIFA Position: Oppose

Status: Deferred to the 41st legislative day in Senate Health and Human Services Committee (5-2) on February 18.

SB 244 An Act to address issues facing South Dakota.

Sponsor: The Committee on State Affairs

Summary: This placeholder bill requires the Legislature to address issues facing South Dakota.

NAIFA Position: Monitor

Status: Passed Senate State Affairs Committee (9-0 consent) on February 23; pass Senate (32-1) on February 25; scheduled for hearing in House State Affairs Committee on March 4.

SB 245 (Amended Title) An Act to ~~promote the future success and development of South Dakota~~ create the homeowner property tax reduction fund, and to transfer moneys to the homeowner property tax reduction fund.

Sponsor: The Committee on State Affairs

Summary: As amended, this bill transfers \$55,597,663 from the general revenue replacement fund to the homeowner property tax reduction fund, created in the bill. After August 1, 2027, the fund receives 3/10 percent of the applicable tax rate of certain gross receipts and excise taxes collected by the state.

NAIFA Position: Monitor

Status: Passed Senate State Affairs Committee (9-0 consent) on February 23; passed Senate (32-1) on February 24; House State Affairs Committee adopted Amendment 245E, then deferred action on the bill until March 4.

Respectfully submitted,

Darla Pollman Rogers, Lobbyist