

Department of Labor & Regulation
Division of Insurance
Notice of Public Hearing to Adopt Rules

A public hearing will be held in the West River Conference Room, 124 South Euclid Avenue, 2nd Floor, Pierre, SD 57501, on October 24th, 2017 at 2:30 p.m., to consider the adoption and amendment of proposed rules to the following:

Chapters 20:08:03 and 20:08:07

The effect of this rule change is to fix outdated references to the Division of Securities and Department of Revenue and Regulation.

The reason for adopting this rule change is that per an executive order in 2017, the Division of Securities became part of the Division of Insurance, which is under the Department of Labor and Regulation.

Chapter 20:08:07

The effect of this rule change is to establish a notice filing requirement for Regulation A—Tier 2 offerings and crowdfunding offerings.

The reason for adopting these rules and establishing a notice filing requirement is so the Division may monitor these types of offerings by receiving information about the issuer and the offering.

The rule changes in Chapter 20:08:07 also add two additional nationally recognized securities manuals that may be used when determining if a transaction is exempt from certain registration requirements. These manuals are searchable which may allow for an easier user experience.

Persons interested in presenting data, opinions, and arguments for or against the proposed rules may do so by appearing in person at the hearing or by sending them to the South Dakota Division of Insurance, 124 South Euclid Avenue, 2nd Floor, Pierre, South Dakota 57501.

After the hearing, the Division of Insurance will consider all written and oral comments it receives on the proposed rules. The comment period will remain open for ten days following the public hearing and will close on November 3, 2017. The Division may modify or amend a proposed rule at that time to include or exclude matters that are described in this notice.

Notice is further given to individuals with disabilities that this hearing is being held in a physically accessible place. Please notify the Division of Insurance at least 48 hours before the public hearing if you have special needs for which special arrangements must be made. The telephone number for making special arrangements is (605) 773-3563.

The text of the proposed rules will be posted on the Department of Labor & Regulation's website: http://dlr.sd.gov/insurance/admin_rules/public_hearings.aspx. The rules may also be obtained as a Microsoft Word attachment by emailing mallori.barnett@state.sd.us. Paper copies of the proposed rules may be obtained without charge from:

South Dakota Division of Insurance, Administrative Rules
124 South Euclid Avenue, 2nd Floor
Pierre, South Dakota 57501