

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

A public hearing will be held in the Oahe Conference Room, 124 South Euclid Avenue, 1st Floor, Pierre, SD 57501, on May 14, 2019 at 10:00 a.m., to consider the adoption and amendment of proposed rules to the following:

Chapters 20:06:42 and 20:06:57

The effect of the rules will be to expand the availability of fully-insured and self-funded association health plans while maintaining consumer protections.

The reason for adopting these rules is to implement SB 37, passed during the 2019 Legislative Session, which expanded the types of associations that could form association health plans.

Chapter 20:08:07

The effect of the rules is to repeal Rule 505 and also amend the requirements for certain hearings where the Division reviews a proposed transaction for fairness.

The reason the Division is making the rule change to ARSD 20:08:07:03.02 is because Rule 505 is no longer a valid option for notice filing a security offering with any state as it has been repealed by the Securities and Exchange Commission (SEC).

The reason the Division is amending ARSD 20:08:07:40 is to help ensure investors receive additional notice of a hearing and to clarify details regarding the retention of an independent valuation consultant.

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 May 24, 2019. 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 proposed rules will

also be available on rules.sd.gov. 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