

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

A public hearing will be held during a telephone conference at **866.410.8397** with a conference code of **739 589 5109**, on **October 20, 2020 at 2:00 p.m.**, to consider the adoption and amendment of proposed rules §§ 20:06:10:08.03, 20:06:39:34.01, 20:06:39:34.02, 20:06:40:02, and 20:08:07:43.

§§ 20:06:10:08.03, 20:06:39:34.01, 20:06:39:34.02, 20:06:40:02

The effect of these rules changes is to clarify the duration of short term limited duration plans as provided by the federal government and to clarify the duration of short term major medical plans as provided by SB 181, passed this last Session.

The reasoning for adopting these rules changes is to ensure South Dakota's rules match South Dakota law and federal regulation. This will allow us to continue to regulate these types of plans and help consumers.

§ 20:08:07:43

The effect of this rule change is to create an exemption for a secondary sale of offerings that comply with Regulation A Tier 2 of federal law.

The reason for adopting this rule is to ensure investors in a non-issuer transaction have the ability to buy or sell shares of an issuer if the issuer is current in their federal reporting requirements.

Persons interested in presenting data, opinions, and arguments for or against the proposed rule may appear by calling into the hearing or by mailing them to the South Dakota Division of Insurance, 124 South Euclid Avenue, 2nd Floor, Pierre, South Dakota 57501. Material sent by mail must reach the South Dakota Division of Insurance by October 30, 2020 to be considered.

After the public hearing, the Division of Insurance will consider all written and oral comments it receives on the proposed rule. The Division may modify or amend a proposed rule at that time to include or exclude matters that are described in this notice.

For Persons with Disabilities: This hearing will be located at a physically accessible place. Please contact the Division of Insurance at least 48 hours before the public hearing if you have special needs for which special arrangements can be made by calling (605) 773-3563.

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

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