



STATE OF SOUTH DAKOTA
M. MICHAEL ROUNDS, GOVERNOR

April 10, 2006

Hilary Kindsfater
914 Katherine Street
Vermillion, SD 57069

Dear Hilary:

Thank you for writing me concerning this important piece of federal legislation. I am closely following this bill, given its potentially significant impact on the way health insurance would be regulated in South Dakota.

The legislation does deal with some very real concerns that exist in the health insurance marketplace. The uniformity that this legislation would bring reduces the problem of complying with a multiplicity of state regulations. Those in the insurance business who operate in multiple states are helped by streamlining some state regulations, thereby reducing the associated administrative costs from these regulations. Also the legislation preempts some overly burdensome regulations in some states which serve to increase insurance costs for the public.

However, I cannot support the legislation in its current form. I believe some of the measures go too far and remove some important state regulations that protect consumers. We need to preserve those vital state laws and regulations which currently exist for the protection of the citizens of South Dakota. Unless those protections are preserved, I will not be able to support this legislation. We are working very closely with our legislative contacts to address those measures that are of concern to our citizens.

I do appreciate your taking the time to correspond with me regarding this legislation. It is my hope appropriate amendments are made so this bill will be beneficial for both South Dakotans and those in other states as well.

Sincerely,

A handwritten signature in black ink that reads "M. Michael Rounds".

M. Michael Rounds

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