

January 30, 2025

South Dakota Legislature
Senate Commerce and Energy

Dear Senator Crabtree – Chair, Senator Peterson – Vice-Chair, and Members of the Committee,

Thank you for giving the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committee for the hearing on SB 93.

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty insurance trade association in the country, with more than 1,400 member companies. NAMIC supports regional and local mutual insurance companies on main streets across America and many of the country's largest national insurers. NAMIC members represent 40 percent of the total property/casualty insurance market, serve more than 170 million policyholders, and write nearly \$225 billion in annual premiums. NAMIC has 192 members who write property/casualty insurance in the State of South Dakota, who represent roughly 57% of the marketplace.

NAMIC supports SB 93 and believes it would have a positive impact on the property and casualty market in South Dakota. This bill would eliminate the ability of repair shops to offer rebating to consumers for all, or a portion, of their deductible.

By prohibiting rebating, this will limit the ability of unscrupulous repair shops from luring customers to their business. Many times these bad actors will inflate repair costs when submitting them to insurance companies. We believe by eliminating rebating, this will help limit insurance fraud and potentially lower costs for insurers and consumers.

For these reasons, NAMIC encourages the committee to **vote YES on SB 93**.

Respectfully submitted,

Phillip Arnzen
Regional Vice President – Midwest
National Association of Mutual Insurance Companies

Anne Reisch

From: Phillip Arnzen <parnzen@namic.org>
Sent: Thursday, January 30, 2025 9:53 AM
To: Casey Crabtree; Sue Peterson; Arch Beal; Randy Deibert; Joy A. Hohn; Chris Karr; Steve Kolbeck; Liz Larson; Carl Perry
Cc: Senate Commerce and Energy
Subject: [EXT]: SB 93 - Prohibiting Rebating - Letter of Support from NAMIC
Attachments: SB 93 Testimony.docx

Dear Senator Crabtree – Chair, Senator Peterson – Vice-Chair, and Members of the Senate Commerce and Energy Committee,

Please see my attached letter of support for SB 93, which prohibits rebating for auto repair shops. Please let me know if you have any questions.

Thank you,
Phillip Arnzen

Phillip Arnzen
Regional Vice President—Midwest
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