

MICHELE BACHMANN

6TH DISTRICT, MINNESOTA

COMMITTEES:

FINANCIAL SERVICES

HOUSE REPUBLICAN
POLICY COMMITTEE

ASSISTANT REPUBLICAN WRAP

412 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2331

6043 HUDSON ROAD, SUITE 330
WOODSBURY, MN 55125
(651) 731-5400

110 2ND STREET S, SUITE 232
WATE PARK, MN 56387
(320) 253-5931

www.bachmann.house.gov

Congress of the United States
House of Representatives
Washington, DC 20515-2306

December 16, 2008

Honorable Christopher Cox
Chairman
U.S. Securities and Exchange Commission
100 F St., NE
Washington, DC 20549

Dear Chairman Cox:

On behalf of my constituents in Minnesota's Sixth District, I write to reiterate my opposition to the Securities and Exchange Commission (SEC) Proposed Rule 151A, which would prospectively reclassify state-regulated insurance products known as indexed annuities as securities under the Securities Act of 1933.

Strengthening transparency throughout U.S. financial markets to better protect investors is imperative. However, this proposed rule could do more harm than good. It would subject already state-regulated indexed annuities to dual regulation by the federal government which may increase compliance costs on small businesses and stifle innovation of new insurance products. This only leads to fewer choices for consumers who are looking for opportunities to make investments for the future that are best for themselves and their families.

The rule would also effectively strip state-licensed independent insurance agents from the ability to offer these financial products to Americans. Only SEC-licensed broker-dealers would be eligible to sell these products to consumers, despite years of responsible, state-regulated offerings by independent insurance agents.

It is my understanding that the SEC will be taking steps to finalize the rule tomorrow and I appreciate your consideration of these concerns. Please do not hesitate to contact me with any questions regarding this matter and its impact on companies, agents, and consumers in Minnesota.

Sincerely,



Michele Bachmann
Member of Congress

2008 DEC 17 PM 4:08
CHAIRMAN'S
CORRESPONDENCE UNIT
RECEIVED
ES/27362