



State of Rhode Island and Providence Plantations

State House
Providence, Rhode Island 02903-1196
401-222-2080

Gina M. Raimondo
Governor

July 2, 2018

TO THE HONORABLE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES:

In accordance with the provisions of Article IX, Section 14 of the Constitution of the State of Rhode Island and Section 43-1-4 of the Rhode Island General Laws, I transmit, with my disapproval, 2018-H 7909 Substitute A, "An Act Relating to Insurance – Surplus Lines Insurance."

This legislation adds a provision to Chapter 27-3 of the General Laws pertaining to surplus lines insurance that mandates that bills due to surplus lines brokers by producing agents will not be due any earlier than 45 days after the end of the month in which the transaction occurs. This is a change to current law, which allows for the cancellation of a policy within 10 days of notice of non-payment to a surplus lines broker.

This is a well-intentioned bill that is intended to help local insurance agents and consumers. However, I have heard from insurance brokers, carriers, and some local agents that the timeframe allowed in this legislation might be too long. After consultation with the legislature, I have decided that the bill needs additional work. I am committed to working with the General Assembly in the next session to achieve the intended goals of the legislation in a better format while protecting against unintended consequences.

For these reasons, I disapprove of this legislation and respectfully urge your support of this veto. I look forward to working with the sponsors and advocates on a bill we can propose next year.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gina M. Raimondo', written over a white background.

Gina M. Raimondo
Governor