

2018 -- S 3007

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO INSURANCE -- SURPLUS LINES INSURANCE

Introduced By: Senator Frank A. Ciccone

Date Introduced: June 23, 2018

Referred To: Placed on Senate Calendar

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-3 of the General Laws entitled "Surplus Lines Insurance" is
2 hereby amended by adding thereto the following section:

3 **27-3-52. Payment of surplus lines insurance - Cancellation.**

4 If a surplus lines insurer allows agency bill by the surplus lines broker, the surplus lines
5 broker may bill the producing agent the net payment (gross premium minus any commissions and
6 fees). The bill is not due to surplus lines broker by the producing agent any earlier than forty-five
7 (45) days after the end of the month in which the transaction occurs. After the forty-five (45) day
8 period the policy may be cancelled with a non-payment of premium cancellation notice that will
9 include a ten (10) day notice.

10 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE -- SURPLUS LINES INSURANCE

1 This act would allow the surplus lines producing insurance agent forty-five (45) days for
2 net payment (gross payment minus commission and fees) to the broker before the policy may be
3 cancelled for nonpayment (after ten (10) day notice).

4 This act would take effect upon passage.

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