



STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

January 14, 2015

Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Insurance products, and the laws and regulations that apply to these products, are often complex. Because of this, and because these products are so important to Michiganders' financial well-being, those who sell insurance are subject to background checks, education requirements, and licensure. House Bill 4485 significantly weakens consumer protections by amending Michigan's insurance code to exempt operators of self-storage facilities that sell "stored property insurance" from licensure as insurance agents.

Individuals may place a wide variety of property in storage units and need to be assured that the property is protected, just as it is in their homes. Given that a person may already have insurance that will cover this property, and that every policy contains a variety of terms, conditions and exclusions, it is important that anyone attempting to sell this product understand it and be able to explain the coverage being offered, as well as how it works with other insurance the person may have.

While I understand there have been concerns expressed over the availability of this type of insurance, I believe this bill goes too far in attempting to correct the potential problem. Operators of self-service storage facilities have the option to license an employee, develop a relationship with a licensed agent, or provide referrals to licensed agents to their customers.

Furthermore, exempting certain individuals from licensure as insurance agents based solely on the point of sale of the product may create an inequitable regulatory environment giving a distinct advantage to those individuals exempted from those regulations. For these reasons, I am vetoing House Bill 4485.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Snyder", written over a horizontal line.

Rick Snyder
Governor