

**RHODE ISLAND GOVERNMENT REGISTER
PUBLIC NOTICE OF PROPOSED RULEMAKING**

**DEPARTMENT OF BUSINESS REGULATION (INCLUDES THE OFFICE OF THE
HEALTH INSURANCE COMMISSIONER)**

Title of Rule: Municipal Liens on Fire Insurance Proceeds

Rule Identifier: 230-RICR-20-05-12

Rulemaking Action: Proposed Amendment

Important Dates:

Date of Public Notice: 09/04/2018

Hearing Date: 09/17/2018

End of Public Comment: 10/04/2018

Authority for this Rulemaking:

R.I. Gen. Laws § Chapter 45-47

Summary of Rulemaking Action:

This regulation was formerly known as Insurance Regulation 31.

R.I. Gen. Laws Chapter 45-47 provides that municipal taxing authorities can, in certain circumstance, have liens on fire insurance proceeds. This regulation is designed to provide details about the implementation of that statute by insurers. In addition to the formatting changes as a result of the conversion to RICR, the following substantive changes are proposed:

§ 12.2 – Provides a summary of the lien created because of R.I. Gen. Laws Chapter 45-47.

§ 12.3 – Provides the applicability of the chapter as set forth in R.I. Gen. Laws § 45-47-6.

§ 12.4 – Removes the outdated and incorrect listing of taxing jurisdictions from the regulation and places the burden to determine the applicable taxing jurisdictions on the insurer and insured.

§ 12.5 – Removes a section concerning review of the regulation that is not statutorily mandated and which has not been complied with in the 36 years this regulation has been in effect.

§ 12.6 – Provides the necessary provisions to be included in the certificate and removes the form of certificate appended to the regulation.

Additional Information and Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed amendment until October 4, 2018 by contacting the appropriate party at the address listed below:

Elizabeth Dwyer, Esq.

Department of Business Regulation (includes the Office of the Health Insurance Commissioner)

1511 Pontiac Ave

Cranston, RI 02920

elizabeth.dwyer@dbr.ri.gov

Public Hearing:

A public hearing, in accordance with R.I. Gen. Laws § 42-35-2.8, to consider the proposed amendment shall be held on September 17, 2018 at 10:30 am at Department of Business Regulation, Conference Room 69-2, 1511 Pontiac Ave, Bldg 69, Cranston, RI 02920 at which time and place all persons interested therein will be heard. The seating capacity of the room will be enforced and therefore the number of persons participating in the hearing may be limited at any given time by the hearing officer, in order to comply with safety and fire codes.

The place of the public hearing is accessible to individuals who are handicapped. If communication assistance (readers/interpreters/captioners) is needed, or any other accommodation to ensure equal participation, please call 401-462-9551 or RI Relay 711 at least three (3) business days prior to the meeting so arrangements can be made to provide such assistance at no cost to the person requesting.

Regulatory Analysis Summary and Supporting Documentation:

This proposed regulation will result in no adverse impact for small businesses. In the development of the proposed regulation consideration was given to: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business. No alternative approach, duplication, or overlap was identified based upon available information.

For full regulatory analysis or supporting documentation see agency contact person above.