

Concise Explanatory Statement

Rhode Island Government Register

In accordance with the Administrative Procedures Act, R.I. Gen. Laws § 42-35-2.6, following is a concise explanatory statement:

AGENCY: Rhode Island Department of Business Regulation

DIVISION: Insurance

RULE IDENTIFIER: 230-RICR-20-05-3

REGULATION TITLE: Automobile Insurance Rating

RULEMAKING ACTION: Full Rulemaking, Amendment

REASON FOR RULEMAKING:

This regulation provides the rules for rating in automobile insurance. The proposed amendments are designed to bring the regulation into compliance with statutory changes made to the underlying statute in the last legislative session.

The specific proposed changes were:

- § 3.7(E) – This section has been amended to reference the specific DMV statutory requirement.
- § 3.8(A)(2) – This section has been amended to reflect the statutory change in the chargeable accident level.
- § 3.13(A)(7) and (8) – These paragraphs have been added to clarify that insurers must consult and follow 230-RICR-20-05-15 in addition to this regulation when utilizing an insurance score.

CHANGES TO TEXT OF THE RULE:

No changes were made as a result of the comments received. Therefore, the final rule is the same as what was proposed.

REGULATORY ANALYSIS:

These proposed amendments do not impact small businesses. In the development of the proposed amendment 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.