

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 (“Department”)
DIVISION: Insurance Division
RULE IDENTIFIER: 230-RICR-20-05-8 (formerly Insurance Regulation 98)
REGULATION TITLE: Rhode Island Automobile Insurance Plan
RULEMAKING ACTION: Direct Final Amendment
COMMENT PERIOD: **01/04/2022 to 02/03/2022**

REASON FOR RULEMAKING:

This regulation is being amended to incorporate 2018 Department of Business Regulation guidance provided to the Rhode Island Automobile Insurance Plan. In addition, certain citations to the R.I. Gen. Laws were reformatted, the following is a summary of the substantive, non-technical changes are:

§ 8.3(A)(4) deleted the term “insurance commissioner” because is not used in the regulation.

§ 8.6(F)(1)-(6) Added new paragraphs to incorporate previous guidance provided to the R.I. Automobile Insurance Plan in Department correspondence regarding the filing of quarterly and annual financial statements with the National Association of Insurance Commissioners (NAIC).

CHANGES TO TEXT OF THE RULE:

No comments or objections were received. Therefore, the final rule is the same was what was proposed.

REGULATORY ANALYSIS:

The proposed amendments do not impact small businesses. The Regulation is being amended to document 2018 Department of Business Regulation guidance provided to the Rhode Island Automobile Insurance Plan. The Rhode Island Automobile Insurance Plan, a single insurance plan, must comply with the regulation. The required financial reporting allows the Department to monitor the financial solvency of the Rhode Island Automobile Insurance Plan. There is no additional cost because the Rhode Island Automobile Insurance Plan is currently filing the required reports.

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.