

RHODE ISLAND GOVERNMENT REGISTER
PUBLIC NOTICE OF PROPOSED RULEMAKING

AGENCY: Department of Business Regulation

DIVISION: Insurance

RULE IDENTIFIER: 230-RICR-20-5-3

REGULATION TITLE: AUTOMOBILE INSURANCE RATING

RULEMAKING ACTION: Proposed Rulemaking

TYPE OF FILING: Repeal

TIMETABLE FOR ACTION ON THE PROPOSED RULE:

Public notice date: August 17, 2017

End of comment period date: September 26, 2017

Hearing date: September 19, 2017

SUMMARY OF PROPOSED RULE: The rule provides for reduction in automobile insurance premiums for anti-theft devices. The proposal is to repeal current Insurance Regulation 84 – Automobile Insurance Premium Reductions for Anti-Theft Devices, and incorporate its terms into 230-RICR-20-5-3 - Automobile Insurance Rating.

COMMENTS INVITED:

All interested parties are invited to submit written or oral comments concerning the proposed regulations by September 26, 2017 to the addresses listed below.

ADDRESSES FOR PUBLIC COMMENT SUBMISSIONS:

Mailing Address: 1511 Pontiac Avenue, Cranston, RI 02920

Email Address: elizabeth.dwyer@dbr.ri.gov

WHERE COMMENTS MAY BE INSPECTED:

Mailing Address: 1511 Pontiac Avenue, Cranston, RI 02920

PUBLIC HEARING INFORMATION:

Hearing date: September 19, 2017

Hearing Time: 10:00 AM

Hearing Location: 1511 Pontiac Avenue, Cranston, RI 02920

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.

FOR FUTHER INFORMATION CONTACT:

Elizabeth Dwyer, Esq., Deputy Director, Department of Business Regulation, 1511 Pontiac Avenue, Cranston, RI 02920 401.462-9617 elizabeth.dwyer@dbr.ri.gov

Authority for This Rulemaking: R.I. Gen. Laws § 27-9-7.2

Regulatory Findings:

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.

The Proposed Amendment:

Department of Business Regulation proposes to repeal Insurance Regulation 84 as follows:

~~INSURANCE REGULATION 84~~

~~AUTOMOBILE INSURANCE PREMIUM REDUCTIONS FOR ANTI-THEFT DEVICES~~

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~~Section 1 — Authority~~

~~This Regulation is promulgated pursuant to R.I. Gen. Laws §§ 27-9-7.2 and 42-14-17.~~

~~Section 2 — Purpose~~

~~The purpose of this Regulation is to require every insurer writing automobile insurance comprehensive coverages to offer a discount to insureds whose vehicles are equipped with anti-theft devices as defined in this Regulation.~~

~~Section 3 — Definitions~~

~~For the purpose of this Regulation:~~

- ~~A. — "Director" means the Director of Business Regulation or his or her designee.~~
- ~~B. — "Insurer" means all persons, firms, corporations or associations authorized or licensed to offer automobile insurance in this State.~~
- ~~C. — "Alarm Only Device" means a device which sounds an audible alarm that can be heard at a distance of at least three hundred (300) feet for a minimum of three (3) minutes.~~
- ~~D. — "Active Disabling Device" means a device which disables the vehicle by making the fuel, ignition or starting system inoperative and a separate manual step is required to engage the device.~~
- ~~E. — "Passive Disabling Device" means a device which disables the vehicle by making the fuel, ignition or starting system inoperative and a separate manual step is not required to engage the device.~~
- ~~F. — "Vehicle Recovery System Service" means an electronic unit installed in a vehicle that is activated after the vehicle is stolen. When activated, the device provides information to law enforcement officials or another public or private entity regarding the vehicle's location. The system provides for the routine delivery of the information to the appropriate law enforcement entity to assist in the recovery of the vehicle.~~

~~Section 4 — Discounts~~

~~Every insurer, insuring motor vehicles which contain anti-theft devices, shall offer the following minimum reductions in premium charges on comprehensive coverage:~~

- ~~A. — Alarm Only — five percent (5%) — Category 1~~
- ~~B. — Active Disabling Devices — five percent (5%) — Category 2~~
- ~~C. — Passive Disabling Devices — fifteen percent (15%) — Category 3~~
- ~~D. — Vehicle Recovery System Devices — twenty five percent (25%) — Category 4~~

~~Section 5 — Multiple Anti-Theft Devices~~

~~If an insured has more than one anti-theft device, the amount of the discount shall be as follows:~~

~~(A) One Category 4 device and one Category 1 device thirty percent (30%)~~

~~(B) One Category 4 device and one Category 2 device thirty percent (30%)~~

~~(C) One Category 4 device and one Category 3 device thirty five percent (35%)~~

~~**Section 6** *Evidence of Installation by Insurer*~~

~~Every insurer may require evidence of installation of any anti-theft device prior to application of the applicable discount.~~

~~**Section 7** *Effective Date*~~

~~This Regulation shall become effective on May 25, 1994 and supersedes the Department's prior Regulation 45, entitled Relating to Automobile Insurance Premium Reduction for Anti-Theft Devices.~~

EFFECTIVE DATE: _____ May 25, 1994

AMENDED: _____ None

REFILED: _____ December 19, 2001