



State of Rhode Island
Department of Business Regulation

Senate Committee on Finance Hearing

New Article – Relating to Insurance

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Amend R.I. Gen. Laws 27-4.6-3

- Amendment to the Risk Based Capital (RBC) for Insurers Act
- RBC is a calculation used to judge the financial solvency of insurers
- Moves the RBC trend for life insurers from 2.5 to 3.0
- Applicable to one domestic insurer that easily meets the test



Requirement for NAIC Accreditation

- Accreditation allows all other states to rely on the financial analysis and exams performed by DBR
- Without accreditation would be prohibitively expensive for an insurer to domicile in RI since it would be subject to financial regulation of all other states
- All other states have this trend test in statute
- DBR reaccredited based on this bill pending in legislature
- Support from Amica Life Insurance; American Council of Life Insurers (ACLI) and American Property and Casualty Insurance Companies (APCIA)