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Via Email to [HouseCorporations@rilegislature.gov](mailto:HouseCorporations@rilegislature.gov)

April 1, 2025

Representative Joseph J. Solomon, Jr.  
Chair, House Corporations Committee  
Rhode Island State House  
Providence, RI 02903

RE: House Bill 5104 – An Act Relating to Insurance – Casualty Insurance Rating

Dear Chair Solomon:

Amica Mutual Insurance Company submits this statement in opposition to House Bill No. 5104. This legislation proposes to forbid a motor vehicle liability insurance carrier from considering a policyholder's zip code for purposes of calculating the policy premium.

While Amica does not specifically use zip code, we do use territorial rating, i.e. each town in Rhode Island is rated differently based in part on loss experience. Territorial rating is a key factor in establishing fair insurance rates. In fact, every state including Rhode Island, permits the use of territory, and it is considered by the Casualty Actuarial Society to be one of the primary drivers of claims experience and one of the most well established and widely used rating variables. In many instances, when overlayed with accident frequency maps, the territories with the highest premiums also have the highest frequency of accidents.

Ultimately, without the use of zip codes for territorial rating, low risk drivers will subsidize high risk drivers. Passing House Bill 5104 might lower auto insurance costs for some higher-risk drivers in the short term, but it will likely raise prices for other statistically lower risk drivers.

On behalf of Amica, I urge you to oppose this legislation.

Very truly yours,

  
Jennifer A. Morrison