



February 10, 2026

Hon. Joseph J. Solomon, Jr. and Members of the Committee
Committee on Corporations
Rhode Island House of Representatives

RE: HB 7517 – Oppose

Dear Chair Solomon and Members of the Committee:

The National Insurance Crime Bureau (NICB) is a national, century-old, not-for-profit organization supported by approximately 1,200 property and casualty insurance companies, including many who write business in Rhode Island. Working hand-in-hand with our member companies and Rhode Island state and local law enforcement, we help to detect, prevent, and deter insurance crimes.

Insurance fraud is not a victimless crime. A 2022 study placed total U.S. insurance fraud at \$308.6 billion. Fraudsters will exploit every avenue, forum, and opportunity to bilk consumers and their insurers to line their own pockets, which ultimately increases costs for everyone and, at times, risks life and limb.

Recognizing the adverse impact of insurance fraud on its citizens, the Rhode Island General Assembly—like nearly all state legislatures—requires insurers to report suspected insurance fraud. In the vast majority of cases, insurers submit suspected fraud referrals to the Rhode Island Office of Automobile Theft and Insurance Fraud, housed within the Rhode Island State Police. To meet that mandate, the vast majority of property-casualty fraud referrals are reported through the National Insurance Crime Bureau (NICB), in partnership with the National Association of Insurance Commissioner (NAIC). Rhode Island statute also confers immunity from civil and criminal liability to insurance companies and others for reporting, in good faith, information related to suspected insurance fraud.

House Bill 7517 seeks to expand definitions of unfair claims settlement practices as well as clarifying an insured's right to pursue bad-faith remedies. **The bill contains a few provisions limiting insurance claims investigations to licensed, registered, or otherwise authorized individuals.**

While NICB does not make claim suggestions or decisions, we do provide investigative assistance to both insurers and law enforcement. Law enforcement, particularly the Office of Automobile Theft and Insurance Fraud, also investigates insurance fraud and crime. Neither NICB or Rhode Island law enforcement are licensed in the way the legislation seems it may envision, and we are concerned that unless clarified through amended language or a rule of construction, the ability of NICB and law enforcement to combat insurance fraud and crime may be significantly curbed if the term investigations and who constitutes authorized individuals is not further clarified. **Accordingly, NICB opposes HB 7517.**

Thank you for your consideration of our views. As always, please consider NICB a resource and partner in the fight against insurance crime. If you have any questions or need additional information, please contact me at hhandler@nicb.org or 312-771-3974.

Sincerely,

A handwritten signature in blue ink that reads "Howard Handler". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Howard Handler, Senior Director
Strategy, Policy and Government Affairs