



RHODE ISLAND JOINT REINSURANCE ASSOCIATION

Two Center Plaza
Boston, Massachusetts 02108-1904
(800)851-8978, FAX (617)557-5675

VIA Email: HouseCorporations@rilegislature.gov

March 3, 2026

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

Re: House 7512- An Act Relating To Business And Professions – Contractors Registration And Licensing Board

Dear Mr. Chairman:

This statement in opposition to House 7512 is submitted on behalf of the Rhode Island Joint Reinsurance Association (RIJRA), also known as the RI Fair Plan.

The Fair Plan was created by the General Assembly in 1969 To make basic property insurance available to qualified applicants who have been unable to secure such insurance in the voluntary market.¹

RIJRA is a residual market insurance association in which all companies writing basic property insurance in Rhode Island are required to participate. Although created by law and regulated by the Insurance Division of the Department of Business Regulation, RIJRA is not a state government agency. No federal, state, or local government funds are used to support or subsidize RIJRA's activities. All required operating funds are obtained from, and the claims paying capacity of RIJRA is composed of, premiums received from policies issued, retained earnings, investment income, any payments under reinsurance programs and assessments levied on member companies, as necessary. No taxpayer dollars are used.

RIJRA provides a choice of property insurance policies to RI consumers that are virtually the same as those provided in the voluntary market. At the present time, RIJRA has approximately 4% share of Rhode Island's homeowners insurance market. This number is down and is continuing to trend downward – a sign that the health of the property insurance marketplace in the state is improving.

General Comments

House 7512 is similar in tone, tenor, and purpose to House Bills 7515, 7516, 7517, and 7521 which were all heard by this committee on February 11, 2026. This bill, like those heard earlier, is new to the Corporations Committee this session. All are highly concerning and would significantly alter the property insurance landscape. Taken as a group, these bills represent the most significant challenge to the stability, predictability, and cost structure of the property insurance marketplace in Rhode Island seen in many years.

¹ See Section 27-33 and 230 RICR 20-05-11.

Given the volatility of the property insurance marketplace in other parts of the United States, compared with the relative stability of Rhode Island's market, especially as it relates to availability of coverage, ensuring continued market stability should continue to be an important public policy goal.

It should also be noted that House 7512, like the others mentioned in this statement, has the standard "effective upon passage" language as its final section. House 7512 would impose significant licensure and compliance responsibilities upon RIJRA. Given the changes this bill would require, along with increased exposure to liability and significant monetary and other damages, the ability of RIJRA to timely settle claims would be significantly impacted. Simply stated, this bill mandates changes that are impossible to comply with immediately and a significant transition would be needed.

Specific Comments

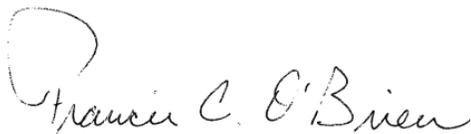
House 7515 seeks to significantly expand the definition of the terms insurance adjuster and would require such persons to also be licensed and overseen by the Contractors Registration and Licensing Board as contractors and home inspectors. The Board would not be provided with any increase in resources to take on these new responsibilities.

Insurance adjusters, such as those employed by or used by RIJRA, are currently licensed by the Department of Business Regulation (RIDBR) pursuant to Section 27-10 of the General laws and the provisions of Regulation 230 RICR 20-50-4. RIDBR robustly oversees this area. Adding the Contractors Registration and Licensing Board as an additional layer of oversight is simply not needed and could indeed be counterproductive. For example, in a catastrophe situation where additional insurance adjusting resources are needed to assist Rhode Islanders with the timely payment of claims, the additional requirements imposed by this bill could potentially prevent the deployment of these needed resources and delay the handling of those legitimate claims.

Conclusion

While this statement regarding House 7512 is brief, its brevity belies our level of concern. RIJRA urges the House Corporations Committee to hold House 7512 for further study and not advance, it, or House Bills 7515, 7516, 7517, and 7521 this session.

Very truly yours



Francis C. O'Brien
Vice President and General Counsel