



Rhode Island Insurance Federation

Via Email to HouseCorporations@rilegislature.gov

March 26, 2026

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

RE: House Bill 7863— AN ACT RELATING TO INSURANCE – Liability Insurance — **Statement of Opposition**

Dear Chair Solomon:

The Rhode Island Insurance Federation submits this statement in opposition to House Bill 7863, which removes consumer choice in the private passenger auto insurance market. H7863 will require all policyholders to now purchase uninsured motorist coverage and further requires policyholders to maintain collision coverage or have uninsured property damage coverage.

The Federation was recently formed to advocate for the property and casualty insurance industry in Rhode Island. Federation members write approximately 60% of the total property casualty insurance premiums in the state, and importantly over 85 percent of the private passenger automobile insurance market in the state. Federation members include most of the major property-casualty insurance companies doing business in the state, and every national P&C insurance trade association is a member of the Federation.

The bill as drafted will take Rhode Island from a legislative framework that matches 32 other states for uninsured motorists (it must be offered but may be waived) and make it an outlier only joining 10 other states that have mandated (or made nearly impossible to waive) Uninsured motorist coverage and 4 states that have uninsured property damage as a mandatory coverage that cannot be waived.

According to the most recent NAIC Auto Insurance Database report¹, the Ocean State has the 6th highest average combined premium in the country. This legislation will only add costs to policyholders, which has a direct correlation on the number of uninsured motorists, as Rhode Island already has at least 12.4 percent of the driving public uninsured².

It is important to note that in most states the mandatory coverages are those based upon **your** financial responsibility to **others** you share the road with if you are found liable for damages. It also appears illogical that uninsured property damage coverage cannot be waived by a policyholder, but this legislation would make it a mandatory coverage unless a policyholder has purchased the even more expensive collision coverage. By doing this, you are forcing the 10 percent of Rhode Island motorists, who very likely chose minimum limits coverage out of necessity, to pay more or in the most economically distressed situations be priced out of auto insurance completely—leaving them uninsured.

¹ https://content.naic.org/sites/default/files/aut-db_1.pdf

² <https://www.iii.org/fact-statistic/facts-statistics-uninsured-motorists>

The Federation estimates that the costs associated with this bill for uninsured motorists coverage will be roughly \$150 per policyholder that did not have it as part of the policy (remember that it is required except for minimum limits policyholders) and between \$25 (uninsured property damage) and \$600 (collision) for the mandatory selection of either collision or uninsured property damage coverage. That is a total increase of an estimated minimum \$175 per year for those drivers that are mostly likely economically disadvantaged.

Additionally, this legislation has the potential to increase rates for all policyholders, based on the cost expansions under this proposal. The bill could force insurers to cover more rental days than available under other policy limits, open the door for diminished value claims that exceed the underlying policy limits, and risks those who would normally choose to have collision coverage to opt for the lower cost uninsured coverages causing delays for the policyholder from at-fault determinations and subrogation handling.

With affordability top of mind for most Rhode Islanders, now is not the time to force unnecessary costs increases into the private passenger auto insurance market. This bill is wrought with unintended consequences, with the worst being the potential that it forces more drivers to hit the road without insurance.

For the reasons set forth above, the Federation opposes House Bill 7863.

Respectfully submitted,



Christopher S. Stark

Executive Director

Rhode Island Insurance Federation

cstark@rhodeislandinsurancefederation.org