

ERNEST SHAGHALIAN JR CPCU AAI

AUTO - HOME - BUSINESS INSURANCE

3/26/26

Joseph Solomon, Jr, Chairman
House Corporations Committee

H 7863 Mandatory Uninsured Motorist Insurance

OPPOSED by the Independent Insurance Agents of RI

If enacted this legislation would require large premium increases of up to \$577 which would disproportionately affect low income and young drivers. With all the talk about affordability, this bill is going the wrong way. With gas prices, housing and everything else so high this will cause more people to become totally uninsured.

Most drivers are already prohibited from rejecting Uninsured Motorist Bodily Injury coverage. Only drivers that select \$25,000 per person bodily injury liability (the state minimum) are currently allowed to reject Uninsured Motorist Bodily Injury and then only after signing a special acknowledgment form. The General Assembly made this provision to accommodate low income drivers, this bill will would eliminate that accommodation.

Middle and high income drivers usually select liability limits greater than \$25,000 and as such are already required by law to purchase Uninsured Motorist Bodily Injury. This bill will mostly effect low income drivers and will be directly attributable to the legislators that vote for it.

The better way to address uninsured motorists is to change the current electronic insurance verification law (31-47.4-4) which allows people to drive without liability insurance for 60 days with no penalty or sanction. This would attack the scofflaw, not the honest people that comply.

I have attached a redacted copy of an actual policy page which shows the total cost of \$577 for the proposed requirements from a policy issued through the R I Auto Insurance Plan (risk pool). Tens of thousands of other people in the standard insurance market will have several hundred dollar increases added to their policy, against their will.

Although passed by the House twice before it's urged that in this financial climate with housing and gasoline so expensive that the bill not move this year.

Ernest Shaghalian, Jr, CPCU, AAI
Government Affairs Committee Chairman
Independent Insurance Agents of RI

RHODE ISLAND AUTOMOBILE INSURANCE PLAN
P.O BOX 6530 Providence, Rhode Island 02940-6530

Loss Payees for Coverage D

Auto No.	Name and Address
----------	------------------

	Vehicle Coverages			
	Vehicle 01	Vehicle 02	Vehicle 03	Vehicle 04
Bodily Injury	\$25,000/\$50,000	\$2,846.00		
Property Damage	\$25,000	\$1,273.00		
Uninsured Motorist BI	\$25,000/\$50,000	\$457.00		
Uninsured Motorist PD	\$25,000	\$120.00		
Medical Payments				
Comprehensive				
Collision				
Vehicle Total		\$4,696.00		
Total Annual Premium	\$4,696.00			

Policy and endorsements made part of this policy at time of issue:

- 01 AIP 46 04 03 17 -Personal Auto Policy Agreement
- 02 PP P 011 09 14 -Advisory Notice to Policyholders Regarding Ride-Sharing

Installment Payment Schedule

\$0.00	Paid 12/30/2020
\$426.89	Due 01/04/2021
\$448.49	Due 02/04/2021
\$448.49	Due 03/04/2021
\$448.49	Due 04/04/2021
\$448.49	Due 05/04/2021
\$448.49	Due 06/04/2021
\$448.49	Due 07/04/2021
\$448.49	Due 08/04/2021
\$448.68	Due 09/04/2021

This Declaration Page, with "Policy Provisions – Part One" and Endorsements, if any, issued to form a part thereof, completes the above numbered Policy.




Authorized Representative