



March 26, 2026

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

Re: House 7863 – A N ACT RELATING TO INSURANCE -- LIABILITY INSURANCE

Dear Mr. Chairman:

This statement in opposition to H.7863 is submitted by the American Property Casualty Insurance Association (APCIA).¹ This bill mandates uninsured motorist bodily injury coverage and one of either collision or uninsured motorist property damage coverage **removing flexibility and adding cost for Rhode Islanders, with disparate impacts on lowest income residents.**

In Rhode Island, insurers are required to provide:

1. Uninsured motorist coverage at least equal to the bodily injury limits established in § 31-47-2(13)(i)(A) (\$25,000 per person/\$50,000 per accident). Drivers have the option of removing this coverage only if they purchase minimum compulsory coverage and sign an approved advisory notice.
2. The option to purchase uninsured motorist property damage coverage.

H.7863 removes these consumer choices, requiring all drivers to purchase uninsured motorist bodily injury coverage and at least one of collision or uninsured property damage coverages.

Depending on who is doing the ranking and how it is done, Rhode Island is widely recognized as a top 10 most expensive state for auto insurance costs today.² This is likely a significant driver in Rhode Island's ranking (11th or 16th depending on source) amongst states with the highest percentage of uninsured motorists at around 16%.³ That means roughly one-in-six drivers in Rhode Island is facing the risk of

¹ Representing 67% of the U.S. property casualty insurance market, APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe. Several APCIA members are located in Rhode Island and many more do business here. APCIA members are integral to the state of Rhode Island. They write 76% of the property casualty insurance sold in this state. The P&C insurance industry employs over 3,200 Rhode Islanders, provides annual assistance of \$1.5 billion in claim payments to help customers in the state, and contributes over \$160 million annually to the state in premium taxes.

² See e.g.:

5th overall, 7th as a percentage of median household income - <https://www.iii.org/fact-statistic/facts-statistics-auto-insurance>

6th average insurance premium - <https://www.lendingtree.com/insurance/car-ownership-study/>

8th annual minimum liability premium, 13th average annual full-coverage premium -

<https://www.marketwatch.com/insurance-services/auto-insurance/car-insurance-rates-by-state/>

10th - <https://www.insurancebusinessmag.com/us/guides/the-top-10-most-expensive-states-for-car-insurance-486233.aspx>

³ 16th at 15.6% (2022 data), <https://www.iii.org/fact-statistic/facts-statistics-uninsured-motorists>

12.4% (2023 data), <https://www.usnews.com/insurance/auto/3-states-raising-insurance-minimums>

11th at 16.5% (2024), <https://www.valuepenguin.com/auto-insurance/uninsured-motorist-statistics#heatmap>

personal liability for expenses in addition to fines and license suspensions.⁴ That's a risk borne by those drivers and it has broader societal impacts as well. However, mandating coverage for this risk, when upwards of 90% of drivers are insured, makes little sense.

Mandating uninsured motorist coverage also comes with significant cost and severe disparate impacts. Roughly 90% of Rhode Island drivers already have uninsured motorist coverage, because it is required for anyone who purchases coverage beyond minimum limits. The rest (roughly 10% of drivers) maintain only minimum limits coverage. For some that may be a choice. For many, that is likely all they feel they can afford. **For these roughly 90,000 Rhode Island residents, this bill would add roughly \$150 in additional mandatory uninsured motorist bodily injury coverage expenses.**

In addition, roughly 22% of the aforementioned 90,000 Rhode Island drivers (20,000 residents) also do not have one of either collision or uninsured motorist property damage coverage. Adding the former would increase costs by over \$600. Adding the latter would increase costs by roughly \$25. We assume this would be the more popular choice, meaning **this bill would bring the total additional charge for lowest-income Rhode Island drivers to roughly \$175 and potentially as high as \$750.** This will also put auto insurance even further out of reach for uninsured drivers.

As noted in testimony on other bills, one of the main drivers of Rhode Island's significant auto insurance costs is its outlier status in nearly every aspect. This bill would push on the same issue as only:

- 19 states require uninsured motorist bodily injury coverage
- 7 states require uninsured motorist property damage coverage,
- 2 states (MD and VT) require underinsured motorist property damage coverage, and
- 0 states require collision coverage.⁶

Rhode Island would go from one of 30 states allowing for uninsured bodily injury, collision, and underinsured property damage coverages to the only state in the country mandating uninsured motorist bodily injury coverage and either/both underinsured motorist property damage or collision coverage.

Forcing this additional expense is **likely to add to Rhode Island's uninsured driver problem** rather than fix it, undoing recent significant improvement, a 21% decrease in uninsured motorist rate between 2022 and 2023.⁷ This additional expense will force more drivers out of the law-abiding insurance market and into the pool of risk. Those drivers are very likely to be Rhode Island residents already facing the most significant economic challenges. As a result of this bill they would face criminal risk as well.

Finally, H.7863 restricts consumer choice, preventing the ability for Rhode Islanders to tailor coverage to their means and needs (related to their individual risk). APCIA instead supports giving consumers more options in selecting the coverage suited to their risk.

For these reasons, APCIA urges the committee to hold H.7863 for further study.

Very truly yours,

⁴ <https://webserver.rilegislature.gov/Statutes/TITLE31/31-47/31-47-9.htm>

⁵ 10% of 866,584 registered vehicles in 2020 -

<https://www.fhwa.dot.gov/policyinformation/statistics/2020/pdf/mv1.pdf>

⁶ <https://www.libertymutual.com/vehicle/auto-insurance/coverage/uninsured-motorist>

⁷ <https://www.usnews.com/insurance/auto/3-states-raising-insurance-minimums>. None of the states with decreasing uninsured motorists rates highlighted in the article accomplished their turnaround by mandating more coverage and increasing premiums.



Jonathan Schreiber
Associate Vice President, State Government Relations
APCIA
Jonathan.schreiber@apci.org
(202) 828-7121