



Rhode Island Insurance Federation

April 2, 2026

Via Email to HouseCorporations@rilegislature.gov

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

RE: House Bill 7478 - Statement of Opposition from the Rhode Island Insurance Federation

Dear Chair Solomon,

The Rhode Island Insurance Federation submits this statement to share our concerns with House Bill 7478, which creates the Homeowner Casualty Bill of Rights.

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. 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.

Already the industry faces nation-leading regulation by the Department of Business Regulation. Specific to Homeowners' Insurance, this legislation is either duplicative or conflicting with already established Insurance laws under RI Gen Law 27-5-3 which is the Standard Fire Policy. That standard policy language is designed to offer consistent clear language for the enforceability of these contracts. For instance, the law differs from this proposal on the standards to acknowledge the claim, time for the proof of loss statement, denial of the claim timeline, and the full settlement payouts deadline. Finally, the advice offered in the bill relative to contractors is sound but should be given separate from an insurance policy and likely from other sources to ensure it is read.

This legislation, as drafted, is likely to exacerbate the so-called "not-read" and/or "no-understanding" problems that exist with insurance contracts. According to a 2016 study by SunLife¹, 85% of policyholders across the insurance spectrum do not read documents sent by their insurer, and several studies have indicated that even when read, consumers have difficulty

¹ <https://www.covermagazine.co.uk/news/2469033/customers-read-insurance-documents-receive>

understanding whether coverage for a claim exists². Over simplification of insurance contract language can cause as much consumer confusion as sophisticated language, especially if the simple language is inconsistent with the contract's provisions.

Given both the not-read and no-understanding problems, even if the Legislature believes that such a Bill of Rights is necessary, it should be carefully crafted by the Department of Business Regulation and come from a source that may incent them to read it.

For the reasons set forth above, the Federation opposes House Bill 7478, as currently drafted, and we urge the Committee to hold the bill for further study and amendment.

Respectfully submitted,



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Executive Director

Rhode Island Insurance Federation

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² https://repository.law.umich.edu/cgi/viewcontent.cgi?article=1395&context=law_econ_current