



Rhode Island Insurance Federation

March 30, 2026

The Honorable Arthur J. Corvese
Chair, House Labor Committee
Rhode Island State House
Providence, RI 02903
Delivered via e-mail HouseLabor@rilegislature.gov

RE: House Bill 7773—Amends the workers' compensation reimbursement provisions related to the liability of third person for damages—Statement in Opposition.

Dear Chair Corvese:

The Rhode Island Insurance Federation submits this statement in opposition of House Bill No. 7773, which amends the workers' compensation reimbursement provisions related to the liability of third person for damages..

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.

Rhode Island's current statutory scheme and case law, an injured worker can file a negligence claim against a third-party in addition to the workers' compensation claim. The system's "made whole doctrine" for subrogation further protects injured workers by ensuring they are prioritized over the third-party recovery.

In practical terms, the legislation will potentially shift significant costs onto employers and their workers' compensation insurers. Employers would now pay for the workers' compensation benefits without the proper ability to recover from third-party lawsuits. The bill as designed will also increase the complexity of litigation by forcing the courts to provide for what portion of a settlement is reimbursable and the allocation of such damages. Such results would likely end with increased upward premium pressure and inserts a level of uncertainty as to the predictability of the market.

Importantly, this legislation provides a weaker deterrence against third-party negligence, as they will effectively pay less into the system, forcing employers to absorb more of the costs. Rhode Island should not be the first state in the nation to block certain aspects of 3rd party recovery from subrogation.

The status quo properly balances the rights of workers in these third-party negligence claims. House Bill 7773 would again make Rhode Island an outlier as the only state that adds comparative fault to the

system—a legal concept that must be litigated—which will unnecessarily increase costs and create further strain on the courts.

For the reasons set forth above, the Federation opposes House Bill 7773, and we urge the Committee not to advance this legislation.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Christopher S. Stark".

Christopher S. Stark

Executive Director

Rhode Island Insurance Federation

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