

March 2, 2026

Senator Matthew LaMountain
Chair, Senate Committee on Judiciary
Rhode Island State House
Providence, RI 02903

Re: Senate 2301 – An Act Relating To Insurance – Unfair Claims Settlement Practices Act

Dear Mr. Chairman:

This statement in support of S.2301 is submitted by the American Property Casualty Insurance Association (APCIA).¹ The bill amends several subsections in the Unfair Claims Settlement Practices Act (Section 27-9.1-4) to help address the significant costs of providing auto insurance in the state. Rhode Island is an outlier in almost every auto-insurance related policy, including many that are simply unique to the state. **Taking steps to align Rhode Island with other states that have well-functioning auto-insurance markets and significantly lower premiums is likely to ultimately benefit Rhode Islanders.**

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 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.

This bill amends subsection (25) by lifting the prohibition on the use of pictures and video in appraisals to **align the law with consumer expectations and increase convenience for insurers, insureds, and auto body shops alike. In every other state, consumers consulting their phones at the scene of their accident can start the insurance claims process immediately by quickly and easily uploading photos and videos of damage.** As technology continues to evolve, this process seems poised to deliver significant time and cost savings for everyone involved. **Rhode Island is a singular outlier by prohibiting this practice.**

The bill also changes the appraisal threshold from the current \$2,500 to \$5,000. **Requiring appraisals for minor damage simply adds time and expense without offsetting benefits.** This amount is less than the size of the average claim (\$6,100) and roughly the same as the average collision repair bill (\$5,003) in Rhode Island. It would also align with other recent legislative changes, such as doubling the auto insurance surcharge threshold from \$1,500 to \$3,000 in 2019. Making this minor change will allow insurers to focus time and resources on larger claims to the benefit of consumers.

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>

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

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

This bill amends subsection (27) to set the timeframe for the performance of an initial appraisal at four days instead of the current three. Adding slightly more time will ease expenses and encourage greater accuracy. **Rhode Island has the shortest time requirement in the country and is one of only two states requiring inspections within three days. The ten other states that mandate a time frame have an average of 8 days.** Four days is a reasonable timeline and aligns with the existing state timeline for performance of a supplemental appraisal.

Finally, the proposed change in subsection (29) expands the universe of nationally recognized compilations of vehicle values. This aligns with the same change the legislature made last year for auto body shops, adding more sources of documented procedures to Section 27-9.1-4(23) via H.6053. The change to subsection 29 would allow products from vendors other than Kelley Blue Book and NADA to be used. APCIA believes that insurers and consumers as a whole benefit from consideration of a wider range of values.

APCIA appreciates the opportunity to provide its comments in support of this bill and urges its favorable report. We welcome the opportunity to further discuss these common sense changes.

Very truly yours,



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