

2017 -- S 0432

LC001964

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO INSURANCE - DOMESTIC INSURANCE COMPANIES

Introduced By: Senators Ruggerio, McCaffrey, Goodwin, Pearson, and Miller

Date Introduced: March 02, 2017

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-1-39 of the General Laws in Chapter 27-1 entitled "Domestic
2 Insurance Companies" is hereby amended to read as follows:

3 **27-1-39. Discrimination in rates prohibited.**

4 (a) No insurance company organized to do business within this state shall make any
5 distinction or discrimination as to the premiums or rates charged for policies of casualty, fire,
6 home owners, accident and health, or marine insurance, nor shall the company make or permit the
7 rejection of an individual's application for insurance coverage, and the determination of the rate
8 class for the individual, solely on the basis of a disability unless the disability is relevant to the
9 risk of loss, nor shall any insurance company make or require any rebate, diminution, or discount
10 upon the sum to be paid on any policy based on any disability discrimination, nor insert in the
11 policy any condition nor make any stipulation, where the person insured shall bind himself or
12 herself, his or her heirs, executors, administrators, and assigns, to accept any less sum than the
13 full value or amount of the policy in case of a claim accruing on the policy by reason of the claim
14 of the person insured, other than those stipulations or conditions as are imposed upon all persons
15 in similar cases, and any stipulation or condition made in this manner or inserted shall be void.

16 (b) No insurance company organized to do business within this state shall make any
17 distinction or discrimination as to the premiums or rates charged for automobile insurance
18 policies, nor shall the company make or permit the rejection of an individual's application for
19 insurance coverage, and the determination of the rate class of the individual, solely on the basis of

1 a disability or the modification of the automobile with specialized equipment that permits an
2 individual with a disability to operate the automobile, unless the disability or modification of the
3 automobile is relevant to the risk or loss, nor shall any insurance company make or require any
4 rebate, diminution, or discount upon the sum to be paid on any policy based on any disability
5 discrimination, nor insert in the policy any condition nor make any stipulation where the person
6 insured shall bind himself or herself, his or her heirs, executors, administrators, and assigns, to
7 accept any less sum than the full value or amount of the policy in case of a claim accruing on the
8 policy by reason of the claim of the person insured, other than those stipulations or conditions as
9 are imposed upon all persons in similar cases, and any stipulation or condition made in this
10 manner or inserted shall be void. The department of business regulation shall enforce the
11 provisions of this section.

12 (c) No insurance company organized to do business within this state shall make any
13 distinction or discrimination as to the premiums or rates charged for policies of casualty, fire,
14 home owners, accident and health, marine or automobile insurance, nor shall the company make
15 or permit the rejection of an individual's application for insurance coverage, and the
16 determination of the rate class for the individual, solely on the basis of a domestic partner
17 relationship, nor shall any insurance company make or require any rebate, diminution, or discount
18 upon the sum to be paid on any policy based on any domestic partner relationship discrimination,
19 nor insert in the policy any condition nor make any stipulation, where the person insured shall
20 bind themselves, their heirs, executors, administrators, and assigns, to accept any less sum than
21 the full value or amount of the policy in case of a claim accruing on the policy by reason of the
22 claim of the person insured, other than those stipulations or conditions as are imposed upon all
23 persons in similar cases, and any stipulation or condition made in this manner or inserted shall be
24 void. For the purposes of this section, "domestic partner" shall have the same meaning as defined
25 in §8-8.2-20. The department of business regulation shall enforce the provisions of this section.

26 SECTION 2. Section 27-2-23 of the General Laws in Chapter 27-2 entitled "Foreign
27 Insurance Companies" is hereby amended to read as follows:

28 **27-2-23. Discrimination in rates prohibited.**

29 (a) No foreign insurance company licensed to do or doing business in this state shall
30 make any distinction or discrimination as to the premiums or rates charged for policies of
31 casualty, fire, home owners, accident and health, or marine insurance, nor shall any company
32 make or permit the rejection of an individual's application for insurance coverage, and the
33 determination of the rate class for the individual, solely on the basis of a disability unless the
34 disability is relevant to the risk of loss, nor shall any company make or require any rebate,

1 diminution, or discount upon the sum to be paid on any policy based on any disability
2 discrimination, nor insert in the policy any condition, nor make any stipulation, where the person
3 insured shall bind himself or herself, his or her heirs, executors, administrators, and assigns, to
4 accept any less sum than the full value or amount of the policy in case of a claim accruing on the
5 policy by reason of the claim of the person insured, other than conditions or stipulations as are
6 imposed upon all persons in similar cases, and any stipulation or condition made in this manner
7 or inserted shall be void.

8 (b) No foreign insurance company licensed to do or doing business in this state shall
9 make any distinction or discrimination as to the premiums or rates charged for automobile
10 insurance policies, nor shall the company make or permit the rejection of an individual's
11 application for insurance coverage, and the determination of the rate class of the individual, solely
12 on the basis of a disability or the modification of the automobile with specialized equipment that
13 permits an individual with a disability to operate the automobile, unless the disability or
14 modification of the automobile is relevant to the risk of loss, nor shall any insurance company
15 make or require any rebate, diminution, or discount upon the sum to be paid on any policy based
16 on any disability discrimination, nor insert in the policy any condition, nor make any stipulation,
17 where the person insured shall bind himself or herself, his or her heirs, executors, administrators,
18 and assigns, to accept any less sum than the full value or amount of the policy in case of a claim
19 accruing on the policy by reason of the claim of the person insured, other than conditions or
20 stipulations as are imposed upon all persons in similar cases, and any stipulation or condition
21 made or inserted shall be void. The department of business regulation shall enforce the provisions
22 of this section.

23 (c) No insurance company organized to do business within this state shall make any
24 distinction or discrimination as to the premiums or rates charged for policies of casualty, fire,
25 home owners, accident and health, marine or automobile insurance, nor shall the company make
26 or permit the rejection of an individual's application for insurance coverage, and the
27 determination of the rate class for the individual, solely on the basis of a domestic partner
28 relationship, nor shall any insurance company make or require any rebate, diminution, or discount
29 upon the sum to be paid on any policy based on any domestic partner relationship discrimination,
30 nor insert in the policy any condition nor make any stipulation, where the person insured shall
31 bind themselves, their heirs, executors, administrators, and assigns, to accept any less sum than
32 the full value or amount of the policy in case of a claim accruing on the policy by reason of the
33 claim of the person insured, other than those stipulations or conditions as are imposed upon all
34 persons in similar cases, and any stipulation or condition made in this manner or inserted shall be

1 [void. For the purposes of this section, "domestic partner" shall have the same meaning as defined](#)
2 [in §8-8.2-20. The department of business regulation shall enforce the provisions of this section.](#)

3 SECTION 3. This act shall take effect upon passage and apply to all policies issued or
4 renewed on or after January 1, 2018.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE - DOMESTIC INSURANCE COMPANIES

1 This act would prohibit domestic and foreign insurance companies from any distinction
2 or discrimination against individuals in a domestic partner relationship regarding policies issued
3 or renewed in this state.

4 This act would take effect upon passage and would apply to all policies issued or
5 renewed on or after January 1, 2018.

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