

**2026 -- S 2431 SUBSTITUTE A**

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LC004703/SUB A  
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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2026**

**A N A C T**

**RELATING TO INSURANCE -- CASUALTY INSURANCE RATING**

Introduced By: Senators Famiglietti, Thompson, Appollonio, Burke, Dimitri, Patalano,  
Murray, Bissailon, LaMountain, and Tikoian

Date Introduced: February 06, 2026

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 27-9-4 of the General Laws in Chapter 27-9 entitled "Casualty  
2 Insurance Rating" is hereby amended to read as follows:

3           **27-9-4. Considerations in making of rates -- Cancellation of policy. [Effective January**  
4 **1, 2026.]**

5           (a) All rates shall be made in accordance with the following provisions:

6           (1)(i) Due consideration shall be given to past and prospective loss experience within and  
7 outside this state, to catastrophe hazards, if any, to a reasonable margin for underwriting profit and  
8 contingencies, to dividends, savings, or unabsorbed premium deposits allowed or returned by  
9 insurers to their policyholders, members, or subscribers, to past and prospective expenses both  
10 countrywide and those specially applicable to this state, and to all other relevant factors within and  
11 outside this state; provided, that no consideration shall be given to:

12           (A) Any loss or incident involving a bus driver, while in the course of the bus driver's  
13 employment for the Rhode Island public transit authority or private or municipal school bus  
14 companies, in establishing or maintaining that driver's rate respecting the operation of a personal  
15 motor vehicle or vehicles;

16           (B) Any loss or incident involving a law enforcement officer, while in the course of the  
17 law enforcement officer's employment for the state, city, town police departments, or federal law  
18 enforcement agency, in establishing or maintaining that driver's rate respecting the operation of a  
19 personal motor vehicle or vehicles; and

1 (C) Any loss or incident involving a commercial vehicle driver, while in the course of the  
2 commercial vehicle driver's employment, in establishing or maintaining that driver's rate  
3 respecting the operation of a personal motor vehicle(s);

4 (ii) It shall be the responsibility of a commercial vehicle driver to provide the commercial  
5 vehicle driver's insurance company with proof that the loss or incident took place in the course of  
6 employment while operating a commercial vehicle. For the purposes of this section, a "commercial  
7 vehicle" shall be a motor vehicle with a gross weight in excess of ten thousand pounds (10,000 lbs.)  
8 or a motor vehicle used for public livery;

9 (2) The systems of expense provisions included in the rates for use by any insurer or group  
10 of insurers may differ from those of other insurers or groups of insurers to reflect the requirements  
11 of the operating methods of any insurer or group with respect to any kind of insurance, or with  
12 respect to any subdivision or combination of insurance for which subdivision or combination  
13 separate expense provisions are applicable;

14 (3) Risks may be grouped by classifications for the establishment of rates and minimum  
15 premiums;

16 (4) Rates shall not be excessive, inadequate, or unfairly discriminatory;

17 (5) For any policy written, delivered, or renewed on or after January 1, 2025, in establishing  
18 or maintaining an insured's rate or classification respecting the operation of a personal motor  
19 vehicle, widowed persons shall not be treated differently than persons in a marriage; and

20 (6) In establishing or maintaining an insured's rate or classification respecting the operation  
21 of a personal motor vehicle, any insured sixty-five (65) years of age or older, who meets the criteria  
22 set forth in this section and has not had any chargeable accidents or moving violations within three  
23 (3) years preceding the establishment of the rate of insurance or classification, shall not be penalized  
24 solely by reason of his or her age.

25 (b) No insurance company shall fail to renew a private passenger automobile policy  
26 because of a loss occurrence only, unless a chargeable loss occurrence of three thousand dollars  
27 (\$3,000) or more than two (2) nonchargeable loss occurrences, involving the insured, have taken  
28 place within the annual policy year.

29 (c)(1) No insurance company shall fail to renew a private passenger automobile policy  
30 solely because the insured has attained the age of sixty-five (65) years or older.

31 (2) Whenever the commissioner of insurance shall have reason to believe that any  
32 insurance company has refused to renew a private passenger automobile policy solely because the  
33 applicant has reached the age of sixty-five (65) years or older, the commissioner shall notify the  
34 company that it may be in violation of this section and in the commissioner's discretion the

1 commissioner may require a hearing to determine whether or not the company has actually been  
2 engaged in the practice stated in this subsection. Any hearing held under this section shall in all  
3 respects comply with the hearing procedure provided in the Administrative Procedures Act, chapter  
4 35 of title 42.

5 (3) If after the hearing the commissioner shall determine that the company has engaged in  
6 the practice of systematically failing to renew private passenger automobile policies because of the  
7 advanced age of the insured, the commissioner shall reduce the commissioner's findings to writing  
8 and shall issue and cause to be served upon the company an order to cease and desist from engaging  
9 in those practices. After the issuance of the cease and desist order, if the commissioner finds that  
10 the company has continued to engage in those practices, the commissioner shall impose upon the  
11 company a fine not to exceed the amount of one thousand dollars (\$1,000) for each separate  
12 violation.

13 (4) Any company aggrieved by any order or decision of the commissioner of insurance  
14 may appeal the order and decision to the superior court of Providence in accordance with the  
15 Administrative Procedures Act, chapter 35 of title 42.

16 (d) No insurance group, carrier, or company in establishing any premium surcharge or  
17 penalty relative to a specific motor vehicle policy, shall consider any accident or any claim where  
18 any insured covered by that policy is fifty percent (50%) or less at fault.

19 (e) No insurance group, carrier, or company shall assess any premium surcharge against  
20 any insured covered by a motor vehicle policy where a property damage claim payment is less than  
21 three thousand dollars (\$3,000).

22 (f) No insurance group, carrier, or company shall refuse to issue motor vehicle liability  
23 insurance, impose a surcharge, or otherwise increase the rate for a motor vehicle policy solely  
24 because the applicant is a volunteer driver. Volunteer driver is defined as a person who provides  
25 services without compensation to a nonprofit agency or charitable organization.

26 (g) No group, carrier, or company providing personal lines insurance as defined in § 27-  
27 14.5-1 shall assess any premium surcharge or penalty against an insured inquiring about the specific  
28 terms of their policy. Nothing in this subsection shall be construed to prevent an insurance group,  
29 carrier, or company from assessing a premium surcharge, change in rating, or penalty as a result of  
30 a policy change or loss.

31 (h) For all policies issued or renewed on or after July 1, 2027, an insurer issuing motor  
32 vehicle liability insurance which utilizes the zip code of where a vehicle is garaged when  
33 calculating their policy premium may do so; provided that:

34 (1) The calculation of the zip code is segmented by the municipality where the vehicle is

1 garaged;

2 (2) If the actuarial data within a municipal segment of the zip code support a lower premium  
3 than the actuarial data for the zip code as a whole, the premium derived from the actuarial data for  
4 the municipal segment shall be used;

5 (3) If the actuarial data within a municipal segment of the zip code support a higher  
6 premium than the actuarial data for the zip code as a whole, the premium derived from the actuarial  
7 data for the zip code as a whole shall be used; and

8 (4) The department of business regulation shall certify that no premium is increased as a  
9 result of this subsection; provided however the department of business regulations may permit  
10 insurers to apply a uniform statewide increase not to exceed twenty-five cents (\$0.25) per month  
11 to all premiums for motor vehicle liability insurance that the insurer issues in the State of Rhode  
12 Island to absorb the costs of the implementation of this subsection.

13 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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1           This act would permit, on and after July 1, 2027, for an insurer to consider the zip code in  
2   which the vehicle is garaged; provided that, the calculation of the zip code is segmented by the  
3   municipality where the vehicle is garaged.

4           This act would take effect upon passage.

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