

**NOTE**

The Subject Matter of this Bulletin was incorporated into superceded by Insurance Bulletin 2010-5.  
This Document is posted for historical purposes only.



**Department of Business Regulation**

233 Richmond Street  
Providence, RI 02903

## **Insurance Bulletin Number 2003-8**

### **Requirements with Regard to Fraudulent Activity**

The Rhode Island Insurance Division does not have a fraud unit. However, insurers/licenseses are required by law to report suspected fraudulent/incendiary activities to the appropriate fraud units and entities that handle such investigations. The following is a list of the Rhode Island Fraud Unit/Entity contacts, along with applicable statutory references:

#### **Motor Vehicle Theft and Motor Vehicle Insurance Fraud**

R.I. Gen. Laws § 27-49-3(b) requires that “[w]hen an insurer knows the identity of a person, or possesses information tending to establish the identity of a person, who it has reason to believe committed a criminal or fraudulent act relating to a motor vehicle theft or motor vehicle insurance claim, or has knowledge of a criminal or fraudulent act which is reasonably believed not to have been reported to an authorized governmental agency...” the insurer will report the information. Notice of such activity should be given to:

Office of Automobile Theft and Insurance Fraud  
311 Danielson Pike  
North Scituate, Rhode Island 02857  
(401) 444 1035  
[www.risp.state.ri.us](http://www.risp.state.ri.us)

#### **Lost and Salvage Vehicles**

R.I. Gen. Laws § 27-8-14 and [Insurance Regulation 73\(5\)\(I\)](#) require that “[a]ll insurers licensed to do business in Rhode Island shall report all vehicle thefts within thirty (30) days of the theft and all salvage declarations to the National Insurance Crime Bureau (NICB) or a similar organization acceptable to the department, that maintains a central database of automobile theft and salvage.”

#### **Fire Losses**

R.I. Gen. Laws § 27-8.1-3(d)(1) requires that “[w]hen an insurer, lending institution, or party in interest therewith has reason to suspect that a fire loss involving property insured by it, or its principal, respectively, is of incendiary or other suspicious origin, or results from other than accidental cause, the insurer, or

the party in interest therewith, shall, in writing to be sent by registered mail, return receipt requested, notify the chief of the fire department of the city, town, or fire district wherein the fire occurred, and shall thereupon forward a copy to the state fire marshal for the purpose of enabling him or her to investigate the loss.” The State Fire Marshall may be contacted as follows:

State Fire Marshall  
24 Conway Avenue  
Building #42  
Quonsett/Davisville Industrial Park  
North Kingstown, Rhode Island 02852  
(401) 294 0861

### **Workers Compensation**

R.I. Gen. Laws § 42-16.1-14 requires that “[a]ny insurer, or agent authorized by the insurer to act on its behalf, having reason to believe that an insurance transaction may be fraudulent, shall send to the fraud prevention unit a report of the transaction and any additional information requested by the unit.” The fraud prevention unit may be contacted as follows:

Rhode Island Department of Labor and Training  
Workers’ Compensation Fraud Prevention Unit  
P.O. Box 20190  
Cranston, Rhode Island 02920  
(401) 462 8110  
[www.dlt.state.ri.us](http://www.dlt.state.ri.us)

### **Insurance Fraud**

R.I. Gen. Laws § 27-54-4(a) provides in relevant part “[w]henver an officer or director of an insurance company knows that a material false statement or representation has been made to the director or the director’s designee, or that false testimony has been given, or that a material false entry has been made in the books of the insurance company, or that the assets, property or securities of an insurance company have been materially overvalued, or that material information has been withheld from the director or the director’s designee, in violation of § 27-54-1 of this chapter, he or she shall notify the director or the director’s designee of such matters as soon as reasonably possible but in no event later than ten (10) days after the officer or director knows or has reason as to know of such matters.”

The Department’s website contains links to the full text of any section of [Title 27](#) and the [Division of Insurance Regulations](#).

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