

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF BUSINESS REGULATION  
DIVISION OF INSURANCE  
233 RICHMOND STREET  
PROVIDENCE, RHODE ISLAND 02903**

**CONCISE EXPLANATORY STATEMENT**

**Insurance Regulation 101 – Insurance Coverage for Lead Poisoning**

The Department of Business Regulation (“Department”) hereby adopts amendments to Insurance Regulation 101 effective October 17, 2005 and makes this statement in accordance with R.I. Gen. Laws § 42-35-2.3. The Department makes these amendments in order to implement the provisions of R.I. Gen. Laws § 42-128.1-9 as amended. The Department made the following changes between the text of the proposed Regulation as published and the text of the Regulation as adopted (editing changes have been excluded from the following explanation):

1. Section 3(4) - amended to remove all language after the word “condominium” to avoid confusion on what types of compliant properties are entitled to lead liability coverage;
2. Section 3(11) - amended to simplify the definition;
3. Section 5 - a sentence was added to clarify the original intention that previously approved exclusions may continue to be used for noncompliant properties;
4. Section 6(2) – the word “exactly” was removed;
5. Section 6(4) – the notice was amended to allow an insurer that chooses to provide lead liability coverage to compliant properties for no additional premium rather than individually underwriting each property;
6. Section 6(4) – amended to clarify that the notice in section 6 need only be sent to Compliant properties;
7. Section 7 – amended to clarify that dwellings are only deemed compliant with a certificate;
8. Section 12(1) – amended to add dwelling liability policies in addition to homeowner policies.

A number of commentators asked questions concerning the notices in sections 5, 6 and 7. In clarification, the notice in section 5 is required to be sent only to persons

whose policy renews before the effective date of the act and whose policies contain exclusions, the notice in section 6 is to be sent only to compliant properties and the notice in section 7 is to be sent only to noncompliant properties. The Department has amended the regulation to allow insurers to modify the language without altering the message, however, insurers should be mindful that these are three separate notices meant for three separate categories of insureds.