

**State of Rhode Island and Providence Plantations**  
**DEPARTMENT OF BUSINESS REGULATION**  
*Division of Insurance*  
**1511 Pontiac Avenue, Bldg. 69-2**  
**Cranston, Rhode Island 02920**

**CONCISE EXPLANATORY STATEMENT**

**Insurance Regulation 25 – Automobile Insurance Rating**

The Department of Business Regulation (“Department”) hereby adopts amendments to Insurance Regulation 25 effective November 23, 2009 and makes this statement in accordance with R.I. Gen. Laws § 42-35-2.3. The Department makes these amendments in order to effectuate statutory amendments to 27-9-4 and to clarify certain other areas of the regulation. There are six differences between the text of the proposed rule as published in accordance with R.I. Gen. Laws § 42-35-3 and the rule as adopted. Those differences are:

1. Section 3 - The Department declined to accept its proposal to add definitions of Commercial Automobile Insurance and Motor Vehicle Insurance because of concerns discussed at the hearing concerning possible unintended consequences. The Department will take the comments of the parties into consideration in future amendment to the regulation.
2. Section 3 - The Department declined to accept its proposal to amend the definitions of Private Passenger Automobile Insurance and Renewal because of concerns discussed at the hearing concerning possible unintended consequences. The Department will take the comments of the parties into consideration in future amendment to the regulation.
3. Section 4 - The Department declined to accept its proposal to amend the section (except for insertion of the word “insurance”) because of concerns discussed at the hearing concerning possible unintended consequences. The Department will take the comments of the parties into consideration in future amendment to the regulation.
4. Section 7 - The Department declined to accept its proposal to amend the section because of concerns discussed at the hearing concerning possible unintended consequences. The Department will take the comments of the parties into consideration in future amendment to the regulation.
5. Section 8 - The Department declined to accept its proposal to amend the subsections, other than subsection (b), because of concerns discussed at the hearing concerning possible unintended consequences. The Department will take the comments of the parties into consideration in future amendment to the regulation.

6. The Department declined to accept its proposal to amend the section because of concerns discussed at the hearing concerning possible unintentional adverse consequences. The Department will take the comments of the parties into consideration in future amendment to the regulation.