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VIA Email: HouseCorporations@rilegislature.gov

March 11, 2024

Representative Joseph Solomon
Chairman, House Corporations Committee
Rhode Island State House
Providence, RI 02903

Re: House 7432 – An Act Relating to Insurance – Insurers’ Rehabilitation and
Liquidation Act

To Chairman Solomon and Members of the House Corporations Committee:

Amica Mutual Insurance Company and Amica Life Insurance Company are one of seven Rhode-
Island domiciled insurance companies that are members of the Federal Home Loan Bank of
Boston (FHLBank).

Our FHLBank relationship provides us with a reliable, low-cost source of liquidity to help
manage our balance sheets. Historically, the FHLBanks have been able to maintain access to the
global capital markets and continue lending to their members across business cycles, including
during times of economic and market stress, thereby serving as a steady and stabilizing force in
the economy.

Federal laws and regulations provide the FHLBanks certain protections from a stay and voidable
transfer provisions if a bank or credit union member of FHLBank fails. The proposed
legislation would introduce these same protections for the FHLBank in Rhode Island’s insurance
statutes and thereby create parity between Rhode Island bank and credit unions.

Importantly, the legislation will allow the FHLBank to continue to provide liquidity to insurance
companies when they need it most, thus ultimately helping Rhode Island consumers.

Similar legislation has already become law in 27 states.

For these reasons, we fully support H. 7432 and request that the Committee report the bill
favorably.

Very truly yours,

Sr. V.P. and General Counsel