

Joseph J. Solomon, Jr., Chair
House Corporations Committee
Rhode Island General Assembly

February 11, 2025

Re: House Bill 5247- An Act Relating to Commercial Law – General Regulatory Provisions – Deceptive Trade Practices

Dear Chair Solomon and Distinguished Committee Members:

On behalf of the American Council of Life Insurers, thank you for the opportunity to comment on House Bill 5247, which would deem it a deceptive trade practice for a business to advertise, display, or offer a price for a good or service that does not include all mandatory fees or charges, except taxes or fees imposed by a government on the transaction or postage or carriage charges that will be reasonably and actually incurred to ship the physical good to the consumer.

Life insurers and their products are highly and ably regulated by the Division of Insurance in all aspects of our business. RI Gen L § 27-29-4 (Unfair Competition and Practices) addresses most of the areas that H. 5247 seeks to regulate. Insurers are subject to Chapter 27-29 and Division of Insurance regulations in all aspects of our business, including sales, advertising, marketing, and pricing.

The following are two examples of unfair practices for insurers under Chapter 27-29:

- Making, publishing, disseminating, circulating, or placing before the public or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to the business of insurance or with respect to any person in the conduct of his or her insurance business that is untrue, deceptive, or misleading.
- Making false or fraudulent statements or representations on or relative to an application for a policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurers, insurance producer, or individual person.

American Council of Life Insurers | 101 Constitution Ave, NW, Suite 700 | Washington, DC 20001-2133

The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.

In addition, insurers must provide disclosures to consumers regarding fees and adhere to strict requirements regarding life insurance and annuity advertisements. Finally, the insurance superintendent and regulators in other states have extensive authority to conduct market conduct examinations and request information and data from licensees. Inclusion of the life insurance industry in H. 5247 is unnecessary and inappropriate.

Life insurers have excellent track records regarding consumer satisfaction. Our members recognize their affirmative obligation to provide consumers with valuable products. Insurance consumers would not benefit from duplicitous oversight or inconsistent rules that may dilute the ability of the Division of Insurance to exercise strong oversight of insurance fees. For these reasons, we respectfully request that you consider exempting life insurance from the scope of the bill.

Please do not hesitate to contact any of us should you have any questions.

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized initial 'J' followed by a horizontal line extending to the right.

Jill Rickard
Regional Vice President, State Relations
202-624-2046 t
jillrickard@acli.com