



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

RECEIVED

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STATE OF RHODE ISLAND
INSURANCE DIVISION

IN THE MATTER OF:

NGM INSURANCE COMPANY;
MAIN STREET AMERICA ASSURANCE COMPANY;
MAIN STREET AMERICA PROTECTION
INSURANCE COMPANY;
OLD DOMINION INSURANCE COMPANY

RESPONDENT.

DBR No.
2022-IN-008

CONSENT AGREEMENT

It is hereby agreed between the Department of Business Regulation (“Department”) and NGM Insurance Company, Main Street America Assurance Company, Main Street America Protection Insurance Company, and Old Dominion Insurance Company (collectively the “Main Street America Group”) (“Respondent”) as follows:

1. The Main Street America Group are insurers licensed in the State of Rhode Island to issue property & casualty insurance policies including automobile insurance policies.
2. R.I. Gen. Laws § 27-29-4.4 provides in relevant part:
“(2) Each insurer must annually conduct a separate and distinct written auto body labor rate survey for each classification of auto body shops as established by the department of business regulation pursuant to § 5-38-5, to determine a separate and

distinct prevailing auto body labor rate for each classification of fully licensed auto body repair facilities.

(6) The department of business regulation must promulgate regulations related to auto body labor rate surveys...

(7) The department of business regulation shall review all surveys submitted for compliance with this section and any rules and regulations promulgated by the department.”

3. RI Insurance Regulation 230-RICR-20-05-10 provides in relevant part:

A. “Each insurer that writes one percent (1%) or more of the total premium volume of Motor Vehicle Liability Insurance during the immediately preceding calendar year shall conduct an auto body labor rate survey in accordance with R.I. Gen. Laws § 27-29-4.4 and this Part.

10.5 Determination of Market Share ... The one percent (1%) premium volume may be reached either by an individual insurer or by an Insurance Group whose writings reach one percent (1%) or more when combined.

A. Prior to May 1 of each calendar year, the Department will publish on its website a list of those insurers that meet the applicability requirement.”

4. The Department published RI Insurance Bulletin Number 2022-2 on its website April 29, 2022, naming Main Street America Group as one of the insurance groups determined to meet the

criteria in 230-RICR-20-05-10, requiring Respondent to send Labor Rate Survey questionnaires prior to June 1, 2022 and submit a report to the Department not later than September 1, 2022.

5. The Department did not receive the required report by September 1, 2022.

6. In response to the Department's follow-up inquiry, Mains Street America Group confirmed that they did not send out the required surveys and did not have a report to file as required.

7. R.I. Gen. Laws § 27-29-4.5 provides: An insurer's failure to comply with any requirement of § 27-29-4.4, or any rule or regulation promulgated by the department of business regulation shall result in a fine in a sum of up to five thousand dollars (\$5,000).

THEREFORE, based on the foregoing, Respondent and the Department have decided to resolve this matter without further administrative proceedings and hereby agree to the following resolution:

- 1) Main Street America Group must negotiate in good faith the payment of auto body labor rates with each licensed Full Collision Repair Auto Body Facility with rates to be not less than the lowest rate filed by any insurer as part of RI Insurance Bulletin 2022-3.
- 2) Respondent agrees to pay an administrative fine of five thousand dollars (\$5,000) within thirty (30) days.
- 3) Waiver of Hearing and Appeal. By agreeing to resolve this matter through the execution of this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 et seq.

- 4) Enforcement. If the Respondent fails to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, the Respondent will be in violation hereunder and the Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.
- 5) Compliance; Other Laws. Compliance with the terms of this Consent Agreement does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

Counsel for the Department and Respondent hereby consent and agree to the foregoing on behalf of their respective clients this 10th day of ~~October~~ NOVEMBER, 2022.

Department of Business Regulation
By its Legal Counsel,



Matthew M. Gendron

Main Street America Group
By its attorney,



Kimberly K. Law