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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

A N A C T

RELATING TO INSURANCE -- LIABILITY INSURANCE

Introduced By: Senator Stephen R. Archambault

Date Introduced: May 07, 2021

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-7-6 of the General Laws in Chapter 27-7 entitled "Liability
2 Insurance" is hereby amended to read as follows:

3 **27-7-6. Rental vehicle coverage.**

4 (a) For liability assumed under a written contract, coverage shall be provided under the
5 property damage liability section of an insured's private passenger automobile insurance policy.
6 Property damage coverage shall extend to a rented motor vehicle, under ten thousand (10,000) lbs,
7 without regard to negligence for a period not to exceed sixty (60) consecutive days. [Coverage shall](#)
8 [be included for loss of use of the rental motor vehicle. Provided that a claim for loss of use for a](#)
9 [rental vehicle shall be limited to reasonable and necessary expenses for the time to repair or replace](#)
10 [the rental vehicle. To establish the loss of use, the rental car company shall establish that their rental](#)
11 [vehicle sustained damage \(regardless of fault\), the rental vehicle requires repair and will be out of](#)
12 [service for the period of time established by a Rhode Island licensed auto appraiser or in the case](#)
13 [of a total loss a reasonable time to replace the vehicle.](#)

14 (b) Coverage pursuant to subsection (a) of this section shall apply to all collision and
15 comprehensive type losses.

16 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE -- LIABILITY INSURANCE

1 This act would provide for insurance coverage for the loss of use of the rental motor vehicle
2 provided that the rental car company can establish that their rental vehicle sustained damage and
3 that the rental vehicle will require repair or is a total loss. Coverage under this act shall apply to
4 collision and comprehensive type losses.

5 This act would take effect upon passage.

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