

2025 -- H 6079 SUBSTITUTE A

LC002259/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO INSURANCE -- LIABILITY INSURANCE -- RENTAL VEHICLE
COVERAGE

Introduced By: Representatives Baginski, DeSimone, Kazarian, Corvese, and Casey

Date Introduced: March 12, 2025

Referred To: House Corporations

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)(1) 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 pounds
- 7
- (10,000 lbs.), without regard to negligence for a period not to exceed sixty (60) consecutive days.
- 8
- [\(2\) Coverage under subsection \(a\)\(1\) of this section shall apply to the named insured and](#)
- 9
- [driver\(s\) on the private passenger automobile insurance policy and/or their designee\(s\), unless the](#)
- 10
- [designee driver is specifically excluded from the policy.](#)
- 11
- (b) Coverage pursuant to subsection (a) shall apply to all collision and comprehensive type
- 12
- losses.
- 13
- (c) Whenever liability is accepted by an insurance company involving an accident that
- 14
- results in their insured's causing a total loss of the other party's vehicle, the at-fault carrier shall
- 15
- extend coverage for a rental vehicle for not less than an additional seven (7) days after the aggrieved
- 16
- party receives the total loss property damage check.
- 17
- (d) Coverage shall be provided for loss of use of the rental motor vehicle; provided, that a
- 18
- claim for loss of use of a rental vehicle shall be limited to the reasonable time to repair or replace

1 the rental vehicle, and shall be no less than the daily rental rate set forth in the rental agreement. To
2 establish loss of use, the rental car company shall demonstrate that the rental vehicle sustained
3 damage, regardless of fault, requires repair, and will be out of service for the period of time
4 determined by a Rhode Island licensed auto appraiser or adjuster. In the case of a total loss, loss of
5 use payments shall be made up until the time the vehicle owner receives the property damage
6 payment for the total loss. Coverage for loss of use of a rented motor vehicle shall be provided
7 regardless of fleet utilization.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
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- 1 This act would restrict private vehicle property damage insurance coverage for a rental
- 2 passenger vehicle, to the named insured and drivers on that private policy, unless the designated
- 3 driver is specifically excluded.
- 4 This act would take effect upon passage.

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