

2025 -- S 0925 SUBSTITUTE A

LC002650/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO INSURANCE -- LIABILITY INSURANCE

Introduced By: Senators Britto, Bissaillon, Ciccone, Gu, DiPalma, and Thompson

Date Introduced: March 28, 2025

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 pounds  
7 (10,000 lbs.), without regard to negligence for a period not to exceed sixty (60) consecutive days.
- 8           (b) Coverage pursuant to subsection (a) shall apply to all collision and comprehensive type  
9 losses.
- 10          (c) Whenever liability is accepted by an insurance company involving an accident that  
11 results in their insured's causing a total loss of the other party's vehicle, the at-fault carrier shall  
12 extend coverage for a rental vehicle for not less than an additional seven (7) days after the aggrieved  
13 party receives the total loss property damage check.
- 14          (d) Coverage shall be provided for loss of use of the rental motor vehicle; provided, that a  
15 claim for loss of use of a rental vehicle shall be limited to the reasonable time to repair or replace  
16 the rental vehicle, and shall be no less than the daily rental rate set forth in the rental agreement. To  
17 establish loss of use, the rental car company shall demonstrate that the rental vehicle sustained  
18 damage, regardless of fault, requires repair, and will be out of service for the period of time  
19 determined by a Rhode Island licensed auto appraiser or adjuster. In the case of a total loss, loss of

1 use payments shall be made up until the time the vehicle owner receives the property damage  
2 payment for the total loss. Coverage for loss of use of a rented motor vehicle shall be provided  
3 regardless of fleet utilization.

4 (e) Whenever a claimant's vehicle is damaged in an accident, the at-fault insurance  
5 company shall provide at its expense, a rental vehicle that is reasonably comparable in quality to  
6 the claimant's damaged vehicle, and rental charges to be paid shall be based on the local retail  
7 prices reasonably available to consumers at the date and time a claimant rents a vehicle.

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  
RELATING TO INSURANCE -- LIABILITY INSURANCE

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- 1           This act would require at fault insurance companies to provide to any claimant whose  
2 vehicle is damaged in an accident, to provide a vehicle that is reasonably comparable to the  
3 claimant's vehicle and that rental charges shall be based on local retail prices.  
4           This act would take effect upon passage.

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