

2017 -- S 0988 AS AMENDED

LC002128

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO INSURANCE -- LIABILITY INSURANCE

Introduced By: Senators Goodwin, and Ruggerio

Date Introduced: June 22, 2017

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

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

27-7-6. Rental vehicle coverage.

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

SECTION 2. This act shall take on September 1, 2017.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO INSURANCE -- LIABILITY INSURANCE

- 1 This act would require liability insurance to cover loss of use of a rental motor vehicle,
- 2 without regard to negligence. A claim for loss of use would be limited to reasonable and
- 3 necessary expenses for the time to repair or replace the rental vehicle.
- 4 This act would take effect on September 1, 2017.

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