

2021 -- H 6052

LC001944

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

A N A C T

RELATING TO INSURANCE -- LIABILITY INSURANCE

Introduced By: Representative Jean Phillippe Barros

Date Introduced: March 02, 2021

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) 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
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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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