



Rhode Island Insurance Federation

Via Email to HouseCorporations@rilegislature.gov

March 25, 2025

Representative Joseph J. Solomon, Jr.
Chair, House Corporations Committee
Rhode Island State House
Providence, RI 02903

RE: House Bill 6032— AN ACT RELATING TO INSURANCE – Liability Insurance—**Statement of Opposition**

Dear Chair Solomon:

The Rhode Island Insurance Federation submits this statement in opposition to House Bill 6032, which requires the at-fault insurance company to provide at its expense, a rental vehicle that is comparable in like, kind and quality (i.e. make, model, and the closest comparable trim level available at the time), to the claimant's damaged vehicle, and rental charges to be paid shall be based on the local retail prices available to consumers at the date and time a claimant rents a vehicle. For the reasons set forth below, the Federation opposes this legislation.

The Federation was recently formed to advocate for the property and casualty insurance industry in Rhode Island. Federation members write approximately 60% of the total property casualty insurance premiums in the state, and importantly over 85 percent of the private passenger auto insurance market in the state. Federation members include most of the major property-casualty insurance companies doing business in the state, and every national P&C insurance trade association is a member of the Federation.

This legislation does not consider the vast number of various makes, models, trims, and other factors that determine like, kind, and quality of temporary replacement vehicles. Typically, an insurer will contract with rental car companies to ensure that vehicles are available to assist policyholders or 3rd parties after an accident. However, insurers are not able to mandate the selection of vehicles available at rental car locations.

Costs are, of course, another significant factor. To require the majority of policyholders in the state to have to pay for the luxury vehicle mark-up for a select few is not favorable to the motoring public. This legislation will increase costs, when the system was designed to provide a functional temporary replacement and not based in this concept that rental car companies should always have every make and model in multiple colors available.

For the reasons set forth above, the Federation opposes House Bill 6032.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Christopher S. Stark", is placed above the printed name.

Christopher S. Stark
Executive Director
Rhode Island Insurance Federation
cstark@rhodeislandinsurancefederation.org
(617) 356-2644 (cell)