

Insurance Times: RI car rental bill vetoed

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PROVIDENCE — Rhode Island Gov. Lincoln Almond recently vetoed a bill that would have required insurers to include coverage for rental vehicles under individual auto liability coverage.

"The Rhode Island legislature made a mistake when it passed H.B. 6725, but thankfully the governor rectified the error," said Gerald L. Zimmerman, senior counsel for the National Association of Independent Insurers (NAII).

The law would have required insurers to provide physical damage coverage for rental vehicles under the policyholder's liability coverage, even if the policyholder did not carry comprehensive or collision - a move that would have increased rates for Rhode Island drivers and created a subsidy system for the rental car industry, Zimmerman said. p