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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO PROPERTY -- INSURANCE ON MULTI-UNIT DWELLINGS -- TENANT RELOCATION INSURANCE

Introduced By: Senators Dimitri, Tikoian, Patalano, Vargas, Thompson, Ciccone, Bissaillon, Urso, Burke, and Appollonio

Date Introduced: April 04, 2025

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

SECTION 1. Title 34 of the General Laws entitled "PROPERTY" is hereby amended by adding thereto the following chapter:

CHAPTER 43.1

INSURANCE ON MULTI-UNIT DWELLING -- TENANT RELOCATION INSURANCE

34-43.1-1. Definitions.

As used in this chapter:

(1) "Act of God" means an unforeseeable and unavoidable natural disaster or phenomenon, to include, but not limited to, a flood, earthquake, tornado, hurricane, wildfire, or other similar event that occurs without human intervention and could not have been prevented by reasonable foresight or care.

(2) "Certificate of occupancy" means the document issued by the local government agency or building department certifying that a building or dwelling unit complies with applicable building codes and regulations and may be occupied for its intended use.

(3) “Department” means the department of business regulation established pursuant to § 42-14-1.

(4) "Large multi-family dwelling" means any building or structure containing more than twelve (12) residential dwelling units including, but not limited to, apartment buildings, condominium complexes, and cooperative housing.

(5) "Temporary housing" means alternative accommodations provided to tenants when their primary residence becomes uninhabitable including, but not limited to, hotels, motels, short-term rentals, or other suitable living arrangements that meet the standards set forth in this chapter.

34-43.1-2. Temporary housing insurance requirement.

(a) Pursuant to the provisions of § 34-43.1-5, the owner, landlord, maintenance company, executive board or entity responsible to provide insurance for the structure of any multi-family dwelling in this state shall maintain insurance coverage that provides for the temporary housing of tenants and residents for a period of at least thirty (30) days in the event the large multi-family dwelling loses its certificate of occupancy or becomes uninhabitable due to a fire, act of God, flood, or other sudden occurrence that renders the property uninhabitable.

(b) The insurance coverage required by this section shall, at a minimum:

(1) Provide for the relocation and temporary housing of all tenants and residents residing in the multi-family dwelling at the time of the event;

(2) Cover the reasonable costs of such temporary housing, including rent for occupancy and storage for property for the persons and property displaced by an event described in subsection (a) of this section; and

(3) Remain in effect for a minimum period of thirty (30) days following the date the large multi-family dwelling becomes uninhabitable.

34-43.1-3. Enforcement and penalties.

(a) The department shall have the authority to request proof of insurance to verify compliance with the coverage requirements set forth in this chapter.

(b) Any entity responsible for maintaining insurance required pursuant to § 34-43.1-2(a) who fails to maintain the insurance coverage shall be subject to a fine of not less than one thousand dollars ($1,000) per day, for each day the large multi-family dwelling is not in compliance.

(c) Tenants may initiate legal action against landlords for non-compliance with the temporary housing insurance requirement or failure to provide adequate temporary housing as required by the provisions of this chapter. Tenants prevailing in a civil action may seek injunctive relief, damages, and reasonable attorneys' fees.

34-43.1-4. Tenant rights and protections.

(a) Tenants shall have the right to be informed of the temporary housing insurance coverage maintained by the landlord of their large multi-family dwelling. Landlords shall provide a summary of the coverage to tenants at the time of lease signing and annually thereafter.

(b) In the event of displacement, tenants and residents shall have the right to:

(1) Be promptly notified of the temporary housing arrangements and relocation process;

(2) Receive clear and timely information about their rights and responsibilities during the temporary housing period;

(3) Have reasonable access to their personal belongings in the affected multi-family dwelling, when safe to do so;

(4) Be provided with temporary housing that meets the minimum standards established pursuant to chapter 24.2 of title 45;

(5) Receive regular updates on the status of repairs or reconstruction of their primary residence; and

(6) Return to their original dwelling unit once it has been deemed habitable and has regained its certificate of occupancy, subject to the terms of their original lease agreement.

(c) No tenant shall be subject to rent increases, lease termination, or other adverse actions by the landlord as a result of exercising their rights under this law.

34-43.1-5. Transition.

(a) Landlords of large multi-family dwellings in existence on or before July 1, 2025, shall comply with the provisions of this chapter on or before January 1, 2027. On or after July 1, 2025, newly constructed or converted multi-family dwellings shall comply with the provisions of this chapter upon issuance of their initial certificate of occupancy.

(b) The department shall have the authority to promulgate rules and regulations necessary to implement and enforce the provisions of this chapter including, but not limited to:

(1) Detailed standards for temporary housing accommodations;

(2) Procedures for conducting compliance inspections;

(3) Guidelines for the financial assistance program;

(4) Processes for handling tenant and resident complaints and dispute resolution; and

(5) Reporting requirements for multi-family dwelling landlords and insurance providers.

34-43.1-6. Severability.

If any provision of this chapter or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this chapter that can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

34-43.1-7. Preemption.

This law shall supersede any conflicting local ordinances or regulations relating to temporary housing insurance requirements for large multi-family dwellings; provided however, local governments may enact additional requirements that do not conflict with or weaken the provisions of this chapter.

SECTION 2. Section 27-5-3 of the General Laws in Chapter 27-5 entitled "Fire Insurance Policies and Reserves" is hereby amended to read as follows:

27-5-3. Form of standard policy.

The form of the standard fire insurance policy of the state of Rhode Island, with permission to substitute for the word “company” or “companies” a more accurate descriptive term for the type of insurer, shall be as follows:

No

Space for insertion of name of company or companies issuing the policy and other matter permitted to be stated at the head of the policy.

Space for listing amounts of insurance, rates, and premiums for the basic coverages insured under the standard form of policy and for additional coverages or perils insured under endorsements attached.

In consideration of the provisions and stipulations herein or added hereto and of .... dollars premium this company, for the term of ……………

from the ………… day of ……………………………………………….., 20 ……

to the ………… day of ……………………………………………….., 20 ………

at 12:01 a.m. standard time at location of property involved,

to an amount not exceeding .... dollars, does insure, ... and legal representatives, to the extent of the actual cash value of the property at the time of loss, but not exceeding the amount which it would cost to repair or replace the property with material of like kind and quality within a reasonable time after a loss, without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair, and without compensation for loss resulting from interruption of business or manufacture, nor in any event for more than the interest of the insured, against all direct loss by fire and lightning, and by removal from the premises endangered by the perils insured against in this policy, except as hereinafter provided, to the property described hereinafter while located or contained as described in this policy, or pro rata for five (5) days at each proper place to which any of the property shall necessarily be removed for preservation from the perils insured against in this policy, but not elsewhere.

Assignment of this policy shall not be valid except with the written consent of this company.

This policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereby made a part of this policy, together with such other provisions, stipulations, and agreements as may be added hereto, as provided in this policy.

IN WITNESS WHEREOF, this company has executed and attested these presents;

at ....

………………………………… ....

Secretary President

In the event the domicile state of the company issuing the policy requires a Rhode Island company to have a countersignature affixed by a licensed resident agent to a policy issued in that state then in accordance with the provisions of § 27-2-17, the form of the standard fire insurance policy shall in lieu of the foregoing execution and attestation clause contain the following execution and attestation clause: IN WITNESS WHEREOF, this company has executed and attested these presents; but this policy shall not be valid unless countersigned by the duly authorized agent of this company at ....

....

………………………………… ....

Secretary President

Countersigned this …………………... day of ……………………………………20 ..………….

....

Agent

1 **Concealment,** This entire policy shall be void if, whether
2 **fraud.** before or after a loss, the insured will-
3 fully concealed or misrepresented any material
4 fact or circumstance concerning this insurance or the subject
5 thereof, or the interest of the insured therein, or in the case of
6 any fraud or false swearing by the insured relating thereto.
7 **Uninsurable** This policy shall not cover accounts, bills,
8 **and excepted** currency, deeds, evidences of debt, money, or
9 **property.** securities; nor, unless specifically named here-
10 on in writing, bullion or manuscripts.
11 **Perils not** This company shall not be liable for loss by
12 **included.** fire or other perils insured against in this
13 policy caused, directly or indirectly, by: (a)
14 enemy attack by armed forces, including action taken by mili-
15 tary, naval, or air forces in resisting an actual or an immediately
16 impending enemy attack; (b) invasion; (c) insurrection; (d)
17 rebellion; (e) revolution; (f) civil war; (g) usurped power; (h)
18 order of any civil authority except acts of destruction at the time

19 of and for the purpose of preventing the spread of fire, provided
20 that this fire did not originate from any of the perils excluded
21 by this policy; (i) neglect of the insured to use all reasonable
22 means to save and preserve the property at and after a loss, or
23 when the property is endangered by fire in neighboring prem-
24 ises; (j) loss by theft.
25 **Other Insurance.** Other insurance may be prohibited or the
26 amount of insurance may be limited by an
27 endorsement attached hereto.
28 **Conditions suspending or restricting insurance.** Unless
29 otherwise provided in writing and added hereto this company
or companies shall not
30 be liable for loss occurring:
31 (a) While the hazard is increased by any means within the con-
32 trol or knowledge of the insured; or
33 (b) While a described building, whether intended for occupancy
34 by owner or tenant, is vacant or unoccupied beyond a period of
35 sixty (60) consecutive days or
35A thirty (30) consecutive days subsequent to the date on which an
35B order is issued by the local building inspector pursuant to
§ 23-27.3-124.2,
35C whichever first occurs; or
36 (c) As a result of explosion or riot, unless fire ensues, and in
37 that event for loss by fire only.
38 **Other perils** Any other peril to be insured against or sub-
39 **or subjects.** ject of insurance to be covered in this policy
40 shall be by endorsement in writing hereon or
41 added hereto.

Provisions for large multi-family properties. Every policy which insures multi-unit residential property, as defined in §34-43.1-1, against loss or damage by fire shall provide additional benefits, by endorsement attached to the policy, up to a limit of ten thousand dollars ($10,000), without deductible, for each rental unit to cover the actual costs of relocation of any tenant or lawful occupant displaced by fire or from a loss described in § 34-43.1-2(a). The actual costs of relocation shall include, but not be limited to, hotel room rental, a security deposit and first month's rent for a new rental unit if the security deposit or last month's rent is not already due and owing from the landlord to the tenant, clothing replacement, furniture replacement and other reasonable costs and living expenses as a result of being displaced or damaged by a covered loss. Benefits under this clause shall be paid by the insurer to the tenant or lawful occupant after considering benefits available under any other policy. The terms and conditions of such clause shall be approved or prescribed by the commissioner. The landlord or lessor of the property shall notify each tenant or lawful occupant in writing of the benefits payable under this clause at the beginning of the lease or tenancy period. A waiver of this provision in any lease or other rental agreement shall be void and unenforceable.

The department of business regulation may exempt from the provisions of this section residence halls and dormitories operated by institutions of public higher education; provided, however, that the institution assumes responsibility for the relocation of any tenant displaced by fire or by damage resulting from a loss described in § 34-43.1-2(a).

42 **Added provisions.** The extent of the application of insurance
43 under this policy and of the contribution to
44 be made by this company in case of loss, and any other pro-
45 vision or agreement not inconsistent with the provisions of this
46 policy, may be provided for in writing and added hereto, but no
47 provision may be waived except such as by the terms of this
48 policy is subject to change.
49 **Waiver** No permission affecting this insurance shall
50 **provisions.** exist, or waiver of any provision is valid,
51 unless granted herein or expressed in writing
52 and added hereto. No provision, stipulation, or forfeiture shall
53 be held to be waived by any requirement or proceeding on the
54 part of this company relating to appraisal or to any examina-
55 tion provided for herein.
56 **Cancellation** This policy shall be cancelled at any time
57 **of policy.** at the request of the insured, in which case
58 this company shall, upon demand and sur-
59 render of this policy, refund the excess of the paid premium
above
60 the customary short rates for the expired time. This pol-
61 icy may be cancelled at any time by this company by giving

62 to the insured a thirty (30) days' written notice of cancellation except that when cancellation is for nonpayment of premium, a ten (10) days' written notice shall be required with
63 or without tender of the excess of the paid premium above the
pro
64 rata premium for the expired time.
65 Notice of cancellation shall state that
66 the excess premium (if not tendered) will be promptly
67 re-funded.
68 **Mortgagee** If loss hereunder is made payable, in whole
69 **interests and** or in part, to a designated mortgagee not
70 **obligations.** named herein as the insured, that interest in
71 this policy may be cancelled by giving to that
72 mortgagee a ten (10) days' written notice of
73 cancellation.
74 If the insured fails to render proof of loss the mortgagee, upon
75 notice, shall render proof of loss in the form herein specified
76 within sixty (60) days thereafter and shall be subject to the pro-
77 visions hereof relating to appraisal and time of payment and of
78 bringing suit. If this company shall claim that no liability ex-
79 isted as to the mortgagor or owner, it shall, to the extent of the pay-
80 ment of loss to the mortgagee, be subrogated to all the mort-
81 gagee's rights of recovery, but without impairing the mort-
gagee's
82 right to sue; or it may pay off the mortgage debt and require
83 an assignment thereof and of the mortgage. Other provisions
84 relating to the interests and obligations of the mortgagee may
85 be added hereto by agreement in writing.
86 **Pro rata liability.** This company shall not be liable for a
87 greater proportion of any loss than the
88 amount hereby insured shall bear to the whole insurance cover-
89 ing the property against the peril involved, whether collectible
or not.
90 **Requirements in** The insured shall give immediate written
91 **case loss occurs.** notice to this company of any loss, protect

92 the property from further damage, forth with
93 separate the damaged and undamaged personal property, put
94 it in the best possible order, furnish a complete inventory of
95 the destroyed, damaged, and undamaged property, showing in
96 detail quantities, costs, actual cash value and amount of loss
97 claimed; and within sixty (60) days after the loss, unless such
98 time is extended in writing by this company, the insured shall
99 render to this company a proof of loss, signed and sworn to by
100 the insured, stating the knowledge and belief of the insured as to
101 the following: the time and origin of the loss, the interest of the
102 insured and of all others in the property, the actual cash value of
103 each item thereof and the amount of loss thereto, all encum-
104 brances thereon, all other contracts of insurance, whether valid
105 or not, covering any of the property, any changes in the title,
106 use, occupation, location, possession, or exposures of the prop-
107 erty since the issuing of this policy, and by whom and for what
108 purpose any building herein described and the several parts
109 thereof were occupied at the time of loss and whether or not it
110 then stood on leased ground, and shall furnish a copy of all the
111 descriptions and schedules in all policies and, if required, veri-
112 fied plans and specifications of any building, fixtures, or machin-
113 ery destroyed or damaged. The insured, as often as may be
114 reasonably required, shall exhibit to any person designated by
115 this company all that remains of any property herein described,
116 and submit to examinations under oath by any person named by
117 this company, and subscribe the same; and, as often as may be
118 reasonably required, shall produce for examination all books of
119 account, bills, invoices, and other vouchers, or certified copies
120 thereof if the originals are lost, at such reasonable time and place as
121 may be designated by this company or its representative, and
122 shall permit extracts and copies thereof to be made.

123 **Appraisal.** In case the insured and this company shall
124 fail to agree as to the actual cash value or
125 the amount of loss, then, on the written demand of either, each
126 shall select a competent and disinterested appraiser and notify
127 the other of the appraiser selected within twenty (20) days of
128 that demand. The appraisers shall first select a competent and
129 disinterested umpire; and failing for fifteen (15) days to agree
130 upon the umpire, then, on request of the insured or this com-
131 pany, the umpire shall be selected by a judge of a court of
132 record in the state in which the property covered is located. The
133 appraisers shall then appraise the loss, stating separately actual
134 cash value and loss to each item; and, failing to agree, shall
135 submit their differences, only, to the umpire. An award in writ-
136 ing, so itemized, of any two (2) when filed with this company
shall
137 determine the amount of actual cash value and loss. Each
138 appraiser shall be paid by the party selecting him or her and
139 the expenses of appraisal and the umpire shall be paid by
140 the parties equally.
141 **Company's** It shall be optional with this company to
142 **options.** take all, or any part, of the property at the
143 agreed or appraised value, and also to re-
144 pair, rebuild, or replace the property destroyed or damaged with
145 another of like kind and quality within a reasonable time, on
146 giving notice of its intention so to do within thirty (30) days
147 after the receipt of the proof of the loss herein required.
148 **Abandonment.** There can be no abandonment to this com-
149 pany of any property.
150 **When loss** The amount of loss for which this company
151 **payable** may be liable shall be payable sixty (60)
152 days after proof of loss, as herein provided,
153 is received by this company and ascertainment of the loss is
154 made either by agreement between the insured and this com-
155 pany expressed in writing or by the filing with this company

156 of an award as herein provided.

157 **Suit.** No suit or action on this policy for the recov-
158 ery of any claim shall be sustainable in any
159 court of law or equity unless all the requirements of this policy
160 shall have been complied with, and unless commenced within
161 twenty-four (24) months next after inception of the loss.

162 **Subrogation.** This company may require from the insured
163 an assignment of all rights of recovery.
164 against any party for loss to the extent that payment therefor
165 is made by this company.

Standard Fire Insurance Policy of the State of

Expires ....

Property...

Assured ....

No. ……………………………

(COMPANY)

It is important that the written portions of all policies covering the same property read exactly alike. If they do not, they should be made uniform at once.

SECTION 3. This act shall take effect on July 1, 2025.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO PROPERTY -- INSURANCE ON MULTI-UNIT DWELLINGS -- TENANT RELOCATION INSURANCE

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This act would require owners of large multi-family dwellings to secure insurance coverage that provides for the temporary housing of tenants for a period of at least thirty (30) days in the event the large multi-family dwelling loses its certificate of occupancy or becomes uninhabitable due to a fire, act of God, flood, or other sudden occurrence that renders the property uninhabitable.

This act would take effect on July 1, 2025.

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