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LC002440

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IN GENERAL ASSEMBLY

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

Referred To: House Corporations

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

4 INSURANCE ON MULTI-UNIT DWELLING -- TENANT RELOCATION INSURANCE

6 As used in this chapter:

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

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

1
2 (5) "Temporary housing" means alternative accommodations provided to tenants when
3 their primary residence becomes uninhabitable including, but not limited to, hotels, motels, short-
4 term rentals, or other suitable living arrangements that meet the standards set forth in this chapter.

5 **34-43.1-2. Temporary housing insurance requirement.**

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

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

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

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

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

20 **34-43.1-3. Enforcement and penalties.**

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

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

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

30 **34-43.1-4. Tenant rights and protections.**

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

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

- 1 (1) Be promptly notified of the temporary housing arrangements and relocation process;
2 (2) Receive clear and timely information about their rights and responsibilities during the
3 temporary housing period;
4 (3) Have reasonable access to their personal belongings in the affected multi-family
5 dwelling, when safe to do so;
6 (4) Be provided with temporary housing that meets the minimum standards established
7 pursuant to chapter 24.2 of title 45;
8 (5) Receive regular updates on the status of repairs or reconstruction of their primary
9 residence; and
10 (6) Return to their original dwelling unit once it has been deemed habitable and has
11 regained its certificate of occupancy, subject to the terms of their original lease agreement.
12 (c) No tenant shall be subject to rent increases, lease termination, or other adverse actions
13 by the landlord as a result of exercising their rights under this law.

14 **34-43.1-5. Transition.**

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

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

- 21 (1) Detailed standards for temporary housing accommodations;
22 (2) Procedures for conducting compliance inspections;
23 (3) Guidelines for the financial assistance program;
24 (4) Processes for handling tenant and resident complaints and dispute resolution; and
25 (5) Reporting requirements for multi-family dwelling landlords and insurance providers.

26 **34-43.1-6. Severability.**

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

31 **34-43.1-7. Preemption.**

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

1 [provisions of this chapter.](#)

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

4 **27-5-3. Form of standard policy.**

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

8 **No**

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

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

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

16 from the day of, 20

17 to the day of, 20

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

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

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

33 This policy is made and accepted subject to the foregoing provisions and stipulations and
34 those hereinafter stated, which are hereby made a part of this policy, together with such other

1 provisions, stipulations, and agreements as may be added hereto, as provided in this policy.

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

3 at

4
5 Secretary President

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

13

14
15 Secretary President

16 Countersigned this day of20

17
18 Agent

19 1 **Concealment,** This entire policy shall be void if, whether
20 2 **fraud.** before or after a loss, the insured will-
21 3 fully concealed or misrepresented any material
22 4 fact or circumstance concerning this insurance or the subject
23 5 thereof, or the interest of the insured therein, or in the case of
24 6 any fraud or false swearing by the insured relating thereto.

25 7 **Uninsurable** This policy shall not cover accounts, bills,
26 8 **and excepted** currency, deeds, evidences of debt, money, or
27 9 **property.** securities; nor, unless specifically named here-
28 10 on in writing, bullion or manuscripts.

29 11 **Perils not** This company shall not be liable for loss by
30 12 **included.** fire or other perils insured against in this
31 13 policy caused, directly or indirectly, by: (a)
32 14 enemy attack by armed forces, including action taken by mili-
33 15 tary, naval, or air forces in resisting an actual or an immediately
34 16 impending enemy attack; (b) invasion; (c) insurrection; (d)
35 17 rebellion; (e) revolution; (f) civil war; (g) usurped power; (h)
36 18 order of any civil authority except acts of destruction at the time

1 19 of and for the purpose of preventing the spread of fire, provided
2 20 that this fire did not originate from any of the perils excluded
3 21 by this policy; (i) neglect of the insured to use all reasonable
4 22 means to save and preserve the property at and after a loss, or
5 23 when the property is endangered by fire in neighboring prem-
6 24 ises; (j) loss by theft.

7 25 **Other Insurance.** Other insurance may be prohibited or the
8 26 amount of insurance may be limited by an
9 27 endorsement attached hereto.

10 28 **Conditions suspending or restricting insurance.** Unless
11 29 otherwise provided in writing and added hereto this company
12 or companies shall not
13 30 be liable for loss occurring:

14 31 (a) While the hazard is increased by any means within the con-
15 32 trol or knowledge of the insured; or

16 33 (b) While a described building, whether intended for occupancy
17 34 by owner or tenant, is vacant or unoccupied beyond a period of
18 35 sixty (60) consecutive days or
19 35A thirty (30) consecutive days subsequent to the date on which an
20 35B order is issued by the local building inspector pursuant to
21 § 23-27.3-124.2,

22 35C whichever first occurs; or

23 36 (c) As a result of explosion or riot, unless fire ensues, and in
24 37 that event for loss by fire only.

25 38 **Other perils** Any other peril to be insured against or sub-
26 39 **or subjects.** ject of insurance to be covered in this policy
27 40 shall be by endorsement in writing hereon or
28 41 added hereto.

29 Provisions for large multi-family properties. Every policy which insures multi-unit
30 residential property, as defined in §34-43.1-1, against loss or damage by fire shall provide
31 additional benefits, by endorsement attached to the policy, up to a limit of ten thousand dollars
32 (\$10,000), without deductible, for each rental unit to cover the actual costs of relocation of any
33 tenant or lawful occupant displaced by fire or from a loss described in § 34-43.1-2(a). The actual
34 costs of relocation shall include, but not be limited to, hotel room rental, a security deposit and first

1 month's rent for a new rental unit if the security deposit or last month's rent is not already due and
2 owing from the landlord to the tenant, clothing replacement, furniture replacement and other
3 reasonable costs and living expenses as a result of being displaced or damaged by a covered loss.
4 Benefits under this clause shall be paid by the insurer to the tenant or lawful occupant after
5 considering benefits available under any other policy. The terms and conditions of such clause shall
6 be approved or prescribed by the commissioner. The landlord or lessor of the property shall notify
7 each tenant or lawful occupant in writing of the benefits payable under this clause at the beginning
8 of the lease or tenancy period. A waiver of this provision in any lease or other rental agreement
9 shall be void and unenforceable.

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

14 42 **Added provisions.** The extent of the application of insurance
15 43 under this policy and of the contribution to
16 44 be made by this company in case of loss, and any other pro-
17 45 vision or agreement not inconsistent with the provisions of this
18 46 policy, may be provided for in writing and added hereto, but no
19 47 provision may be waived except such as by the terms of this
20 48 policy is subject to change.

21 49 **Waiver** No permission affecting this insurance shall
22 50 **provisions.** exist, or waiver of any provision is valid,
23 51 unless granted herein or expressed in writing
24 52 and added hereto. No provision, stipulation, or forfeiture shall
25 53 be held to be waived by any requirement or proceeding on the
26 54 part of this company relating to appraisal or to any examina-
27 55 tion provided for herein.

28 56 **Cancellation** This policy shall be cancelled at any time
29 57 **of policy.** at the request of the insured, in which case
30 58 this company shall, upon demand and sur-
31 59 render of this policy, refund the excess of the paid premium
32 above

33 60 the customary short rates for the expired time. This pol-
34 61 icy may be cancelled at any time by this company by giving

1 62 to the insured a thirty (30) days' written notice of cancellation except that when cancellation is
2 for nonpayment of premium, a ten (10) days' written notice shall be required with
3 63 or without tender of the excess of the paid premium above the
4 pro
5 64 rata premium for the expired time.
6 65 Notice of cancellation shall state that
7 66 the excess premium (if not tendered) will be promptly
8 67 re-funded.

9 68 **Mortgagee** If loss hereunder is made payable, in whole
10 69 **interests and** or in part, to a designated mortgagee not
11 70 **obligations.** named herein as the insured, that interest in
12 71 this policy may be cancelled by giving to that
13 72 mortgagee a ten (10) days' written notice of
14 73 cancellation.

15 74 If the insured fails to render proof of loss the mortgagee, upon
16 75 notice, shall render proof of loss in the form herein specified
17 76 within sixty (60) days thereafter and shall be subject to the pro-
18 77 visions hereof relating to appraisal and time of payment and of
19 78 bringing suit. If this company shall claim that no liability ex-
20 79 isted as to the mortgagor or owner, it shall, to the extent of the pay-
21 80 ment of loss to the mortgagee, be subrogated to all the mort-
22 81 gagee's rights of recovery, but without impairing the mort-
23 gagee's
24 82 right to sue; or it may pay off the mortgage debt and require
25 83 an assignment thereof and of the mortgage. Other provisions
26 84 relating to the interests and obligations of the mortgagee may
27 85 be added hereto by agreement in writing.

28 86 **Pro rata liability.** This company shall not be liable for a
29 87 greater proportion of any loss than the
30 88 amount hereby insured shall bear to the whole insurance cover-
31 89 ing the property against the peril involved, whether collectible
32 or not.

33 90 **Requirements in** The insured shall give immediate written
34 91 **case loss occurs.** notice to this company of any loss, protect

1 92 the property from further damage, forth
2 with
3 93 separate the damaged and undamaged personal property, put
4 94 it in the best possible order, furnish a complete inventory of
5 95 the destroyed, damaged, and undamaged property, showing in
6 96 detail quantities, costs, actual cash value and amount of loss
7 97 claimed; and within sixty (60) days after the loss, unless such
8 98 time is extended in writing by this company, the insured shall
9 99 render to this company a proof of loss, signed and sworn to by
10 100 the insured, stating the knowledge and belief of the insured as to
11 101 the following: the time and origin of the loss, the interest of the
12 102 insured and of all others in the property, the actual cash value of
13 103 each item thereof and the amount of loss thereto, all encum-
14 104 brances thereon, all other contracts of insurance, whether valid
15 105 or not, covering any of the property, any changes in the title,
16 106 use, occupation, location, possession, or exposures of the prop-
17 107 erty since the issuing of this policy, and by whom and for what
18 108 purpose any building herein described and the several parts
19 109 thereof were occupied at the time of loss and whether or not it
20 110 then stood on leased ground, and shall furnish a copy of all the
21 111 descriptions and schedules in all policies and, if required, veri-
22 112 fied plans and specifications of any building, fixtures, or
23 machin-
24 113 ery destroyed or damaged. The insured, as often as may be
25 114 reasonably required, shall exhibit to any person designated by
26 115 this company all that remains of any property herein described,
27 116 and submit to examinations under oath by any person named by
28 117 this company, and subscribe the same; and, as often as may be
29 118 reasonably required, shall produce for examination all books of
30 119 account, bills, invoices, and other vouchers, or certified copies
31 120 thereof if the originals are lost, at such reasonable time and
32 place as
33 121 may be designated by this company or its representative, and
34 122 shall permit extracts and copies thereof to be made.

1 123 **Appraisal.** In case the insured and this company shall
2 124 fail to agree as to the actual cash value or
3 125 the amount of loss, then, on the written demand of either, each
4 126 shall select a competent and disinterested appraiser and notify
5 127 the other of the appraiser selected within twenty (20) days of
6 128 that demand. The appraisers shall first select a competent and
7 129 disinterested umpire; and failing for fifteen (15) days to agree
8 130 upon the umpire, then, on request of the insured or this com-
9 131 pany, the umpire shall be selected by a judge of a court of
10 132 record in the state in which the property covered is located. The
11 133 appraisers shall then appraise the loss, stating separately actual
12 134 cash value and loss to each item; and, failing to agree, shall
13 135 submit their differences, only, to the umpire. An award in writ-
14 136 ing, so itemized, of any two (2) when filed with this company
15 shall
16 137 determine the amount of actual cash value and loss. Each
17 138 appraiser shall be paid by the party selecting him or her and
18 139 the expenses of appraisal and the umpire shall be paid by
19 140 the parties equally.

20 141 **Company's** It shall be optional with this company to
21 142 **options.** take all, or any part, of the property at the
22 143 agreed or appraised value, and also to re-
23 144 pair, rebuild, or replace the property destroyed or damaged with
24 145 another of like kind and quality within a reasonable time, on
25 146 giving notice of its intention so to do within thirty (30) days
26 147 after the receipt of the proof of the loss herein required.

27 148 **Abandonment.** There can be no abandonment to this com-
28 149 pany of any property.

29 150 **When loss** The amount of loss for which this company
30 151 **payable** may be liable shall be payable sixty (60)
31 152 days after proof of loss, as herein provided,
32 153 is received by this company and ascertainment of the loss is
33 154 made either by agreement between the insured and this com-
34 155 pany expressed in writing or by the filing with this company

1 156 of an award as herein provided.

2 157 **Suit.** No suit or action on this policy for the recov-

3 158 ery of any claim shall be sustainable in any

4 159 court of law or equity unless all the requirements of this policy

5 160 shall have been complied with, and unless commenced within

6 161 twenty-four (24) months next after inception of the loss.

7 162 **Subrogation.** This company may require from the insured

8 163 an assignment of all rights of recovery.

9 164 against any party for loss to the extent that payment therefor

10 165 is made by this company.

11 Standard Fire Insurance Policy of the State of

12 Expires

13 Property

14 Assured

15 No.

16 (COMPANY)

17 It is important that the written portions of all policies covering

18 the same property read exactly alike. If they do not, they should

19 be made uniform at once.

20 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

- 1
- This act would require owners of large multi-family dwellings to secure insurance coverage
- 2
- that provides for the temporary housing of tenants for a period of at least thirty (30) days in the
- 3
- event the large multi-family dwelling loses its certificate of occupancy or becomes uninhabitable
- 4
- due to a fire, act of God, flood, or other sudden occurrence that renders the property uninhabitable.
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- This act would take effect on July 1, 2025.

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