

2789

2011-2012 Regular Sessions

I N S E N A T E

February 1, 2011

Introduced by Sen. KLEIN -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to rental car vehicles

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 1 of section 396-z of the general business law
2 is amended by adding a new paragraph (k) to read as follows:
3 (K) "VEHICLE LICENSING RECOVERY FEE" MEANS THE DAILY FEE A RENTAL
4 VEHICLE COMPANY MAY CHARGE ITS CUSTOMERS WHICH SHALL REPRESENT AN AVERAGE
5 PER-RENTAL DAY PORTION OF THE COMPANY'S ESTIMATED ANNUAL COSTS, AS
6 IMPOSED BY THE STATE, FOR THE LICENSING, TITLING, REGISTRATION AND
7 INSPECTION OF ITS VEHICLES IN THIS STATE. IF THE TOTAL AMOUNT RECOVERED
8 FROM RENTERS BY A RENTAL VEHICLE COMPANY FOR VEHICLE LICENSING FEES
9 DURING THE CALENDAR YEAR IS DIFFERENT THAN THE TOTAL AMOUNT PAID BY THE
10 RENTAL VEHICLE COMPANY FOR SUCH ITEMS, THE RENTAL VEHICLE COMPANY SHALL
11 ADJUST ITS DAILY FEE IN THE FOLLOWING CALENDAR YEAR BY THE AMOUNT OF THE
12 DIFFERENCE. AS OF FEBRUARY TWENTY-EIGHTH, TWO THOUSAND TWELVE, AND
13 ANNUALLY EACH FEBRUARY TWENTY-EIGHTH THEREAFTER, A RENTAL VEHICLE COMPANY
14 SHALL POST INFORMATION ON ITS INTERNET WEBSITE IN AN UNDERSTANDABLE
15 AND READABLE FORMAT THAT SHALL SHOW A RECONCILIATION OF THE AMOUNT OF
16 VEHICLE LICENSING RECOVERY FEES ACTUALLY PAID BY THE RENTAL VEHICLE
17 COMPANY DURING THE PRECEDING CALENDAR YEAR AND THE AMOUNT OF VEHICLE
18 LICENSING RECOVERY FEES CHARGED TO CUSTOMERS DURING THAT SAME CALENDAR
19 YEAR FOR RENTAL OF VEHICLES.
20 S 2. Subdivision 8 of section 396-z of the general business law, as
21 amended by chapter 731 of the laws of 2006, is amended to read as
22 follows:
23 8. No rental vehicle company shall advertise or quote a rental rate
24 that does not include all charges, except taxes or optional items and/or
25 services or any mileage charge, which an authorized driver must pay to

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

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1 obtain a rental vehicle. Provided, however, a rental vehicle company
2 shall be permitted to separately quote and charge airport fees [as
3 defined herein] AND VEHICLE LICENSING RECOVERY FEES, which shall be in
4 addition to the rental rate; and provided further that advertised rental
5 rates that include locations at which airport fees apply shall clearly
6 indicate that additional fees apply.

7 S 3. Paragraphs (a) and (b) of subdivision 10 of section 396-z of the
8 general business law, as amended by chapter 731 of the laws of 2006, are
9 amended to read as follows:

10 (a) A rental vehicle company shall not charge in addition to the
11 rental rate, taxes, and mileage charge, if any, any fee which must be
12 paid as a condition of renting the vehicle, such as, but not limited to,
13 required fuel surcharges, each of which shall be separately stated on
14 the rental agreement. In addition, a rental vehicle company may also
15 state separately and charge, where applicable, airport fees [as such
16 term is defined herein] AND VEHICLE LICENSING RECOVERY FEES.

17 (b) In addition to the rental rate, taxes, applicable airport fees,
18 VEHICLE LICENSING RECOVERY FEES, and mileage charge, if any, a rental
19 vehicle company may charge for an item or service provided in connection
20 with a particular rental transaction if the renter could have avoided
21 incurring the charge by not choosing to obtain or utilize the optional
22 item or service, such as, but not limited to, optional accessories or
23 services requested by the renter, service charges incident to the
24 renter's optional return of the vehicle to a location other than the
25 location where the vehicle was rented, and charges for refueling the
26 vehicle with as much fuel as was in the fuel tank at the beginning of
27 the rental.

28 S 4. This act shall take effect immediately; provided, however, that
29 the amendments to section 396-z of the general business law made by
30 sections one, two and three of this act shall not affect the repeal of
31 such section and shall be deemed repealed therewith.