

1690

2013-2014 Regular Sessions

I N S E N A T E

(PREFILED)

January 9, 2013

Introduced by Sen. ZELDIN -- 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 prohibiting the rental of motor vehicles that are subject to a recall

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

1 Section 1. Section 396-z of the general business law, as amended by
2 chapter 731 of the laws of 2006, is amended by adding a new subdivision
3 16 to read as follows:
4 16. RENTAL VEHICLE COMPANIES SHALL INSPECT AND, IF APPROPRIATE,
5 REPAIR, OR ELIMINATE THE DEFECT IN ANY RENTAL VEHICLE COVERED UNDER A
6 FEDERAL OR MANUFACTURER'S SAFETY RECALL WITHIN ONE HUNDRED TWENTY DAYS
7 AFTER RECEIVING SUCH NOTICE. FOLLOWING RECEIPT OF SUCH NOTICE BY A
8 RENTAL VEHICLE COMPANY AND PRIOR TO INSPECTION, REPAIR OR ELIMINATION OF
9 A DEFECT, SUCH COMPANY MAY RENT A VEHICLE THAT IS SUBJECT TO A SAFETY
10 RECALL PROVIDED THAT IT HAS BEEN ONE HUNDRED TWENTY DAYS OR LESS SINCE
11 RECEIVING SUCH NOTICE, AND SUCH COMPANY DISCLOSES TO ANY PROSPECTIVE
12 RENTER OF VEHICLES COVERED UNDER A FEDERAL OR MANUFACTURER'S SAFETY
13 RECALL THAT THE VEHICLES ARE SUBJECT TO SAFETY RECALL NOTICES PRIOR TO
14 THE SIGNING OF THE RENTAL AGREEMENT. IF ONE HUNDRED TWENTY DAYS SHALL
15 LAPSE FOLLOWING THE RECEIPT OF NOTICE BY A RENTAL VEHICLE COMPANY THAT A
16 FEDERAL OR MANUFACTURER'S SAFETY RECALL IS IN EFFECT ON ANY OF THE VEHI-
17 CLES OWNED BY THE RENTAL VEHICLE COMPANY, AND SUCH RENTAL VEHICLE COMPA-
18 NY HAS FAILED TO INSPECT, REPAIR OR ELIMINATE THE DEFECT IN SUCH VEHI-
19 CLES, THE RENTAL VEHICLE COMPANY SHALL HAVE THE OPTION, AS AN
20 ALTERNATIVE TO UNDERTAKING THE INSPECTIONS OR REPAIRS SUBJECT TO THE
21 RECALL, TO DISCLOSE TO PROSPECTIVE RENTERS OF VEHICLES COVERED UNDER A
22 FEDERAL OR MANUFACTURER'S SAFETY RECALL THAT THE VEHICLES ARE SUBJECT TO
23 SAFETY RECALL NOTICES AND HAVE NOT BEEN INSPECTED OR REPAIRED PRIOR TO
24 THE SIGNING OF THE AGREEMENT. ANY DISCLOSURES REQUIRED UNDER THIS

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

LBD01058-01-3

1 SECTION SHALL BE SET FORTH IN A SEPARATE DOCUMENT ATTACHED TO THE RENTAL
2 AGREEMENT AND SHALL STATE (A) THAT THE SPECIFIC VEHICLE IS THE SUBJECT
3 OF A SAFETY RECALL, (B) DESCRIBE THE RECALL IN QUESTION, AND (C)
4 DESCRIBE THE NATURE OF THE DEFECT. SUCH DISCLOSURE SHALL BE INITIALLED
5 BY THE PROSPECTIVE RENTER PRIOR TO THE SIGNING OF THE RENTAL AGREEMENT.

6 S 2. Section 396-z of the general business law, as amended by chapter
7 784 of the laws of 1988, is amended by adding a new subdivision 14 to
8 read as follows:

9 14. RENTAL VEHICLE COMPANIES SHALL INSPECT AND, IF APPROPRIATE,
10 REPAIR, OR ELIMINATE THE DEFECT IN ANY RENTAL VEHICLE COVERED UNDER A
11 FEDERAL OR MANUFACTURER'S SAFETY RECALL WITHIN ONE HUNDRED TWENTY DAYS
12 AFTER RECEIVING SUCH NOTICE. FOLLOWING RECEIPT OF SUCH NOTICE BY A
13 RENTAL VEHICLE COMPANY AND PRIOR TO INSPECTION, REPAIR OR ELIMINATION OF
14 A DEFECT, SUCH COMPANY MAY RENT A VEHICLE THAT IS SUBJECT TO A SAFETY
15 RECALL PROVIDED THAT IT HAS BEEN ONE HUNDRED TWENTY DAYS OR LESS SINCE
16 RECEIVING SUCH NOTICE, AND SUCH COMPANY DISCLOSES TO ANY PROSPECTIVE
17 RENTER OF VEHICLES COVERED UNDER A FEDERAL OR MANUFACTURER'S SAFETY
18 RECALL THAT THE VEHICLES ARE SUBJECT TO SAFETY RECALL NOTICES PRIOR TO
19 THE SIGNING OF THE RENTAL AGREEMENT. IF ONE HUNDRED TWENTY DAYS SHALL
20 LAPSE FOLLOWING THE RECEIPT OF NOTICE BY A RENTAL VEHICLE COMPANY THAT A
21 FEDERAL OR MANUFACTURER'S SAFETY RECALL IS IN EFFECT ON ANY OF THE VEHI-
22 CLES OWNED BY THE RENTAL VEHICLE COMPANY, AND SUCH RENTAL VEHICLE COMPA-
23 NY HAS FAILED TO INSPECT, REPAIR OR ELIMINATE THE DEFECT IN SUCH VEHI-
24 CLES, THE RENTAL VEHICLE COMPANY SHALL HAVE THE OPTION, AS AN
25 ALTERNATIVE TO UNDERTAKING THE INSPECTIONS OR REPAIRS SUBJECT TO THE
26 RECALL, TO DISCLOSE TO PROSPECTIVE RENTERS OF VEHICLES COVERED UNDER A
27 FEDERAL OR MANUFACTURER'S SAFETY RECALL THAT THE VEHICLES ARE SUBJECT TO
28 SAFETY RECALL NOTICES AND HAVE NOT BEEN INSPECTED OR REPAIRED PRIOR TO
29 THE SIGNING OF THE AGREEMENT. ANY DISCLOSURES REQUIRED UNDER THIS
30 SECTION SHALL BE SET FORTH IN A SEPARATE DOCUMENT ATTACHED TO THE RENTAL
31 AGREEMENT AND SHALL STATE (A) THAT THE SPECIFIC VEHICLE IS THE SUBJECT
32 OF A SAFETY RECALL, (B) DESCRIBE THE RECALL IN QUESTION, AND (C)
33 DESCRIBE THE NATURE OF THE DEFECT. SUCH DISCLOSURE SHALL BE INITIALLED
34 BY THE PROSPECTIVE RENTER PRIOR TO THE SIGNING OF THE RENTAL AGREEMENT.

35 S 3. This act shall take effect immediately, provided that the amend-
36 ments to section 396-z of the general business law, made by section one
37 of this act, shall be subject to the expiration and reversion of such
38 section pursuant to section 4 of chapter 656 of the laws of 2002, as
39 amended, when upon such date section two of this act shall take effect.