

STATE OF NEW YORK

4020

2019-2020 Regular Sessions

IN ASSEMBLY

January 31, 2019

Introduced by M. of A. HYNDMAN, DICKENS, D'URSO, MOSLEY, ARROYO, BLAKE, WRIGHT -- read once and referred to the Committee on Consumer Affairs and 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 109 of the laws of 2018, is amended by adding a new subdivision
3 17 to read as follows:

4 17. Rental vehicle companies shall inspect and, if appropriate, repair
5 any rental vehicle covered under a federal or manufacturer's safety
6 recall within one hundred twenty days after receiving such notice.
7 Following receipt of such notice by a rental vehicle company, such
8 company may rent a vehicle that is subject to a safety recall provided
9 that such company discloses to any prospective renter of vehicles
10 covered under a federal or manufacturer's safety recall that the vehi-
11 cles are subject to safety recall notices and have not been inspected or
12 repaired prior to the signing of the rental agreement. If one hundred
13 twenty days shall lapse following the receipt of notice by a rental
14 vehicle company that a federal or manufacturer's safety recall is in
15 effect on any of the vehicles owned by the rental vehicle company, and
16 such rental vehicle company has failed to inspect or repair such vehi-
17 cles, the rental vehicle company shall have the option, as an alterna-
18 tive to undertaking the inspections or repairs subject to the recall, to
19 disclose to prospective renters of vehicles covered under a federal or
20 manufacturer's safety recall that the vehicles are subject to safety
21 recall notices and have not been inspected or repaired prior to the
22 signing of the agreement. Any disclosures required under this section
23 shall be set forth in a separate document attached to the rental agree-
24 ment and shall state (a) that the specific vehicle is the subject of a

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

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1 safety recall, (b) describe the recall in question, and (c) describe the
2 nature of the defect. Such disclosure shall be initialled by the
3 prospective renter prior to the signing of the rental agreement.

4 § 2. Section 396-z of the general business law, as amended by chapter
5 731 of the laws of 2006, is amended by adding a new subdivision 16 to
6 read as follows:

7 16. Rental vehicle companies shall inspect and, if appropriate, repair
8 any rental vehicle covered under a federal or manufacturer's safety
9 recall within one hundred twenty days after receiving such notice.
10 Following receipt of such notice by a rental vehicle company, such
11 company may rent a vehicle that is subject to a safety recall provided
12 that such company discloses to any prospective renter of vehicles
13 covered under a federal or manufacturer's safety recall that the vehi-
14 cles are subject to safety recall notices and have not been inspected or
15 repaired prior to the signing of the rental agreement. If one hundred
16 twenty days shall lapse following the receipt of notice by a rental
17 vehicle company that a federal or manufacturer's safety recall is in
18 effect on any of the vehicles owned by the rental vehicle company, and
19 such rental vehicle company has failed to inspect or repair such vehi-
20 cles, the rental vehicle company shall have the option, as an alterna-
21 tive to undertaking the inspections or repairs subject to the recall, to
22 disclose to prospective renters of vehicles covered under a federal or
23 manufacturer's safety recall that the vehicles are subject to safety
24 recall notices and have not been inspected or repaired prior to the
25 signing of the agreement. Any disclosures required under this section
26 shall be set forth in a separate document attached to the rental agree-
27 ment and shall state (a) that the specific vehicle is the subject of a
28 safety recall, (b) describe the recall in question, and (c) describe the
29 nature of the defect. Such disclosure shall be initialled by the
30 prospective renter prior to the signing of the rental agreement.

31 § 3. This act shall take effect immediately, provided that the amend-
32 ments to section 396-z of the general business law, made by section one
33 of this act, shall be subject to the expiration and reversion of such
34 section pursuant to subdivision (a) of section 4 of chapter 109 of the
35 laws of 2018, as amended, when upon such date section two of this act
36 shall take effect.