STATE OF NEW YORK

2584

2021-2022 Regular Sessions

IN ASSEMBLY

January 19, 2021

Introduced by M. of A. HYNDMAN -- 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:

Section 1. Section 396-z of the general business law, as amended by chapter 109 of the laws of 2018, is amended by adding a new subdivision 17 to read as follows:

17. Rental vehicle companies shall inspect and, if appropriate, repair any rental vehicle covered under a federal or manufacturer's safety recall within one hundred twenty days after receiving such notice. Following receipt of such notice by a rental vehicle company, such company may rent a vehicle that is subject to a safety recall provided that such company discloses to any prospective renter of vehicles covered under a federal or manufacturer's safety recall that the vehicles are subject to safety recall notices and have not been inspected or repaired prior to the signing of the rental agreement. If one hundred twenty days shall lapse following the receipt of notice by a rental vehicle company that a federal or manufacturer's safety recall is in effect on any of the vehicles owned by the rental vehicle company, and such rental vehicle company has failed to inspect or repair such vehicles, the rental vehicle company shall have the option, as an alternative to undertaking the inspections or repairs subject to the recall, to disclose to prospective renters of vehicles covered under a federal or manufacturer's safety recall that the vehicles are subject to safety recall notices and have not been inspected or repaired prior to the signing of the agreement. Any disclosures required under this section shall be set forth in a separate document attached to the rental agreement and shall state (a) that the specific vehicle is the subject of a safety recall, (b) describe the recall in question, and (c) describe the

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

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nature of the defect. Such disclosure shall be initialled by the prospective renter prior to the signing of the rental agreement.

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

16. Rental vehicle companies shall inspect and, if appropriate, repair any rental vehicle covered under a federal or manufacturer's safety recall within one hundred twenty days after receiving such notice. Following receipt of such notice by a rental vehicle company, such company may rent a vehicle that is subject to a safety recall provided that such company discloses to any prospective renter of vehicles covered under a federal or manufacturer's safety recall that the vehicles are subject to safety recall notices and have not been inspected or repaired prior to the signing of the rental agreement. If one hundred twenty days shall lapse following the receipt of notice by a rental vehicle company that a federal or manufacturer's safety recall is in effect on any of the vehicles owned by the rental vehicle company, and such rental vehicle company has failed to inspect or repair such vehicles, the rental vehicle company shall have the option, as an alternative to undertaking the inspections or repairs subject to the recall, to disclose to prospective renters of vehicles covered under a federal or manufacturer's safety recall that the vehicles are subject to safety recall notices and have not been inspected or repaired prior to the signing of the agreement. Any disclosures required under this section shall be set forth in a separate document attached to the rental agreement and shall state (a) that the specific vehicle is the subject of a safety recall, (b) describe the recall in question, and (c) describe the nature of the defect. Such disclosure shall be initialled by the prospective renter prior to the signing of the rental agreement.

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