STATE OF NEW YORK

8530--C

IN SENATE

March 9, 2022

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to vehicle cost recovery fees

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 1 of section 396-z of the general business law is amended by adding a new paragraph (m) to read as follows:

(m) "Vehicle cost recovery fee" means the allowable recovery by a rental vehicle company from its renters for actual costs incurred to title, register, plate and inspect rental vehicles in this state pursuant to article fourteen of the vehicle and traffic law, and which shall be determined initially by an annual audit of the preceding year's actual costs conducted by the rental vehicle company; provided however, nothing contained herein shall prohibit a rental vehicle company from adjusting the expense level during a calendar year to more closely reflect actual costs incurred. Each such audit shall be retained for a period of not less than five years, and shall be made available to the department of state, department of motor vehicles, and attorney general upon written request.

§ 2. Paragraphs (a) and (b) of subdivision 10 of section 396-z of the general business law, as amended by chapter 109 of the laws of 2018, are amended to read as follows:

(a) A rental vehicle company shall not charge in addition to the rental rate, taxes, and mileage charge, if any, any fee which must be paid as a condition of renting the vehicle, such as, but not limited to, required fuel surcharges, each of which shall be separately stated on the rental agreement. In addition, a rental vehicle company may also state separately and charge, where applicable, airport fees as such term

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

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is defined herein. **Provided further, that a rental vehicle company may also separately state the vehicle cost recovery fee as such term is defined in paragraph (m) of subdivision one of this section.**

(b) In addition to the rental rate, taxes, applicable airport fees**, vehicle cost recovery fee**, and mileage charge, if any, a rental vehicle company may charge for an item or service provided in connection with a particular rental transaction if the renter could have avoided incurring the charge by not choosing to obtain or utilize the optional item or service, such as, but not limited to, optional accessories or services requested by the renter, service charges incident to the renter's optional return of the vehicle to a location other than the location where the vehicle was rented, and charges for refueling the vehicle with as much fuel as was in the fuel tank at the beginning of the rental.

§ 3. This act shall take effect on the sixtieth day after it shall have become a law, provided that the amendments to section 396-z of the general business law made by sections one and two of this act shall not affect the expiration of such section and shall be deemed to expire therewith.