

STATE OF NEW YORK

4796--A

2023-2024 Regular Sessions

IN ASSEMBLY

February 23, 2023

Introduced by M. of A. MAGNARELLI -- read once and referred to the Committee on Consumer Affairs and Protection -- reported and referred to the Committee on Rules -- Rules Committee discharged, bill amended, ordered reprinted as amended and recommitted to the Committee on Rules

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:

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

3 (m) "Vehicle cost recovery fee" means the allowable recovery, pursuant
4 to this section, by a rental vehicle company from its renters for the
5 actual costs incurred to title, register, plate and inspect rental vehi-
6 cles in the state and which fee shall be determined initially by a
7 rental vehicle company's good faith estimate of the rental vehicle
8 company's daily charge to recover its actual total annual motor vehicle
9 titling, registration, plating and inspection costs, and thereafter by
10 an internal audit of the preceding year's actual costs conducted by the
11 rental vehicle company from adjusting the expense level during a calen-
12 dar year to more closely reflect actual costs incurred. If the total
13 amount of the vehicle cost recovery fees collected by a rental vehicle
14 company under this section in any calendar year exceeds the car rental
15 company's actual costs to license, title, register, and plate motor
16 vehicles and have the same inspected for that calendar year, the car
17 rental company may retain the excess amount, and adjust the estimated
18 average per vehicle titling, licensing, plating, inspecting and regis-
19 tration charge for the following calendar year by a corresponding
20 amount. Each such audit shall be retained for a period of not less than
21 five years, and shall be made available to the department of state,
22 department of motor vehicles and attorney general upon written request.

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

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

4 (a) A rental vehicle company shall not charge in addition to the
5 rental rate, taxes, and mileage charge, if any, any fee which must be
6 paid as a condition of renting the vehicle, such as, but not limited to,
7 required fuel surcharges, each of which shall be separately stated on
8 the rental agreement. In addition, a rental vehicle company may also
9 state separately and charge, where applicable, airport fees as such term
10 is defined herein. Provided further, that a rental vehicle company may
11 also separately state the vehicle cost recovery fee as such term is
12 defined in paragraph (m) of subdivision one of this section.

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

23 § 3. Nothing in this act shall be construed to authorize or require a
24 rental vehicle company to charge for incurred costs that were not
25 authorized pursuant to section 396-z of the general business law prior
26 to the effective date of this act.

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