

STATE OF NEW YORK

9381--B

2025-2026 Regular Sessions

IN ASSEMBLY

December 19, 2025

Introduced by M. of A. DINOWITZ, CONRAD, McDONALD, SEMPOLINSKI -- read once and referred to the Committee on Consumer Affairs and Protection -- recommitted to the Committee on Consumer Affairs and Protection in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to unauthorized rental car use

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

1 Section 1. Subdivision 14 of section 396-z of the general business
2 law, as amended by chapter 109 of the laws of 2018, is amended to read
3 as follows:

4 14. (a) (i) A renter may not continue custody of a rental vehicle
5 beyond the period set forth in the rental agreement unless the rental
6 vehicle company has expressly consented to extend such period.

7 (ii) A rental vehicle company is authorized to regain custody of a
8 rental vehicle registered to such company subject to the procedures set
9 forth in subparagraph (iii) of this paragraph where:

10 (1) A renter having custody of a vehicle pursuant to a rental agree-
11 ment specifying that such vehicle is to be returned to the rental vehi-
12 cle company at a certain date and time:

13 (A) intentionally retains custody of the vehicle, without the express
14 consent of the rental vehicle company, and continues such custody for a
15 period of more than twenty-four hours after the renter has been notified
16 that the vehicle is possessed beyond the period specified in the rental
17 agreement and must be returned immediately to the rental vehicle compa-
18 ny;

19 (B) obtains custody of the vehicle through materially false or fraudu-
20 lent pretenses, representations, or promises, including but not limited

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

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1 to the use of another person's personal identifying information as
2 defined in section 190.77 of the penal law; or

3 (C) fails to remit payment in accordance with the rental agreement
4 after notification of arrears by the rental vehicle company; or

5 (2) The rental vehicle company has been notified by a law enforcement
6 agency that the vehicle is being used or has been used in furtherance of
7 criminal activity.

8 (iii) In the event a renter has engaged in any of the activities set
9 forth in subparagraph (ii) of this paragraph, subject to the notice
10 provisions established herein, a rental vehicle company is authorized to
11 recover its vehicle in accordance with standard business practices and
12 article 2-A of the uniform commercial code. Prior to taking any such
13 action, the rental vehicle company shall notify the renter at the
14 contact information provided by the renter and afford the renter with
15 the opportunity to either return the vehicle or, subject to the consent
16 of the rental vehicle company, extend the rental period. If the renter
17 does not respond to such notice or return the vehicle within twenty-four
18 hours of such notification, the rental vehicle company may take such
19 action consistent with standard business practices and article 2-A of
20 the uniform commercial code to locate and regain custody of the vehicle.
21 All attempts to notify the renter of the unauthorized use of the rental
22 vehicle shall be documented and maintained by the rental vehicle company
23 for sixty days after the vehicle has been returned or recovered or long-
24 er in the discretion of the rental vehicle company or required by an
25 arbitrator or court of law.

26 (b) An authorized driver shall provide notice to the rental vehicle
27 company and law enforcement agency within twelve hours of learning of
28 the theft of the rental vehicle.

29 (c) Notwithstanding the provisions of section 165.05 of the penal law,
30 when a rental vehicle company has exhausted the remedies prescribed
31 herein to regain possession of a vehicle pursuant to this subdivision,
32 it may report the vehicle stolen to the appropriate law enforcement
33 agency.

34 § 2. Subdivision 14 of section 396-z of the general business law, as
35 amended by chapter 731 of the laws of 2006, is amended to read as
36 follows:

37 14. (a) (i) A renter may not continue custody of a rental vehicle
38 beyond the period set forth in the rental agreement unless the rental
39 vehicle company has expressly consented to extend such period.

40 (ii) A rental vehicle company is authorized to regain custody of a
41 rental vehicle registered to such company subject to the procedures set
42 forth in subparagraph (iv) of this paragraph where:

43 (1) A renter having custody of a vehicle pursuant to a rental agree-
44 ment specifying that such vehicle is to be returned to the rental vehi-
45 cle company at a certain date and time:

46 (A) intentionally retains custody of the vehicle, without the express
47 consent of the rental vehicle company, and continues such custody for a
48 period of more than twenty-four hours after the renter has been notified
49 that the vehicle is possessed beyond the period specified in the rental
50 agreement and must be returned immediately to the rental vehicle compa-
51 ny;

52 (B) obtains custody of the vehicle through materially false or fraudu-
53 lent pretenses, representations, or promises, including but not limited
54 to the use of another person's personal identifying information as
55 defined in section 190.77 of the penal law; or

1 (C) fails to remit payment in accordance with the terms of the rental
2 agreement after notification of arrears by the rental vehicle company;
3 or

4 (iii) The rental vehicle company has been notified by a law enforce-
5 ment agency that the vehicle is being used or has been used in further-
6 ance of criminal activity.

7 (iv) In the event a renter has engaged in any of the activities set
8 forth in subparagraph (ii) of this paragraph, subject to the notice
9 provisions established herein, a rental vehicle company is authorized to
10 recover its vehicle in accordance with standard business practices and
11 article 2-A of the uniform commercial code. Prior to taking any such
12 action, the rental vehicle company shall notify the renter at the
13 contact information provided by the renter and afford the renter with
14 the opportunity to either return the vehicle or, subject to the consent
15 of the rental vehicle company, extend the rental period. If the renter
16 does not respond to such notice or return the vehicle within twenty-four
17 hours of such notification, the rental vehicle company may take such
18 action consistent with standard business practices and article 2-A of
19 the uniform commercial code to locate and regain custody of the vehicle.
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21 vehicle shall be documented and maintained by the rental vehicle company
22 for sixty days after the vehicle has been returned or recovered or long-
23 er in the discretion of the rental vehicle company or required by an
24 arbitrator or court of law.

25 (b) An authorized driver shall provide notice to the rental vehicle
26 company or law enforcement agency within twelve hours of learning of the
27 theft of the rental vehicle.

28 (c) Notwithstanding the provisions of section 165.05 of the penal law,
29 when a rental vehicle company has exhausted the remedies prescribed
30 herein to regain possession of a vehicle pursuant to this subdivision,
31 it may report the vehicle stolen to the appropriate law enforcement
32 agency.

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