

# STATE OF NEW YORK

9501

## IN SENATE

March 18, 2026

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

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

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

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

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

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

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

22 (c) Notwithstanding the provisions of section 165.05 of the penal law,  
23 when a rental vehicle company has exhausted the remedies prescribed  
24 herein to regain possession of a vehicle pursuant to this subdivision,  
25 it may report the vehicle stolen to the appropriate law enforcement  
26 agency.

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

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

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

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

39 (A) intentionally retains custody of the vehicle, without the express  
40 consent of the rental vehicle company, and continues such custody for a  
41 period of more than twenty-four hours after the renter has been notified  
42 that the vehicle is possessed beyond the period specified in the rental  
43 agreement and must be returned immediately to the rental vehicle compa-  
44 ny;

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

49 (C) fails to remit payment in accordance with the terms of the rental  
50 agreement after notification of arrears by the rental vehicle company;  
51 or

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

55 (iv) In the event a renter has engaged in any of the activities set  
56 forth in subparagraph (ii) of this paragraph, subject to the notice

1 provisions established herein, a rental vehicle company is authorized to  
2 recover its vehicle in accordance with standard business practices and  
3 article 2-A of the uniform commercial code. Prior to taking any such  
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17 (b) An authorized driver shall provide notice to the rental vehicle  
18 company or law enforcement agency within twelve hours of learning of the  
19 theft of the rental vehicle.

20 (c) Notwithstanding the provisions of section 165.05 of the penal law,  
21 when a rental vehicle company has exhausted the remedies prescribed  
22 herein to regain possession of a vehicle pursuant to this subdivision,  
23 it may report the vehicle stolen to the appropriate law enforcement  
24 agency.

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