

STATE OF NEW YORK

9737

IN SENATE

April 2, 2026

Introduced by Sen. KAVANAGH -- 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 prohibiting rental vehicle companies from imposing any fees, charges or penalties, other than the actual cost of a toll, on an authorized driver for such driver's use of a rental vehicle

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

1 Section 1. Section 396-z of the general business law is amended by
2 adding a new subdivision 13-b to read as follows:

3 13-b. A rental vehicle company shall not impose any fees, charges or
4 penalties, other than the actual cost of a toll, on an authorized driver
5 for such driver's use of a rental vehicle through a toll collection
6 facility that utilizes an electronic toll collection system, as defined
7 in section twenty-nine hundred eighty-five of the public authorities
8 law, or a photo-monitoring system for the payment of tolls.

9 § 2. This act shall take effect on the sixtieth day after it shall
10 have become a law; provided that the amendments to section 396-z of the
11 general business law made by section one of this act shall survive the
12 expiration and reversion of such section as provided in section 4 of
13 chapter 109 of the laws of 2018, as amended.

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

LBD06144-02-5