

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 1273 Session of  
1989

INTRODUCED BY ROBINSON, D. R. WRIGHT, PISTELLA, CARN, JAROLIN,  
WILLIAMS, GIGLIOTTI, TRELLO, MELIO, JOSEPHS, DeLUCA, CIVERA,  
VEON, CORRIGAN, DALEY, KASUNIC, LINTON, MRKONIC, THOMAS,  
RITTER AND RICHARDSON, APRIL 24, 1989

AS REPORTED FROM COMMITTEE ON CONSUMER AFFAIRS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, JANUARY 31, 1990

## AN ACT

1 Requiring automobile rental ~~and leasing~~ companies to make full <—  
2 disclosure of rental charges in advertising and to rental  
3 customers; PROHIBITING CERTAIN PRACTICES; and creating <—  
4 penalties.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Consumer  
9 ~~Automobile~~ MOTOR VEHICLE Rental Act. <—

10 Section 2. Definitions.

11 The following words and phrases when used in this act shall  
12 have the meanings given to them in this section unless the  
13 context clearly indicates otherwise:

14 ~~"Automobile rental company." A person regularly engaged in~~ <—  
15 ~~renting or leasing, offering to rent or lease, or arranging the~~  
16 ~~renting or leasing of a motor vehicle for a valuable~~  
17 ~~consideration under a consumer rental.~~

~~"Consumer rental." A contract in the form of a rental, lease or loan of a motor vehicle of a type required to be registered for use on the highways of this Commonwealth under 75 Pa.C.S. (relating to vehicles) for the personal or business use of individuals for a period of time not exceeding four months.~~

~~"Insurance." Any insurance pertaining to the operations, maintenance or use of a motor vehicle.~~

~~"Person." An individual, partnership, corporation, joint stock company, trust, association, unincorporated organization or group or combination thereof organized for the purpose of renting or leasing motor vehicles.~~

~~"Rental customer." A natural person who rents or is offered a consumer rental.~~

"AUTHORIZED DRIVER." ANY PERSON:

(1) HAVING A VALID DRIVER'S LICENSE AND MEETING THE RENTAL COMPANY'S MINIMUM AGE REQUIREMENTS TO WHOM THE PRIVATE PASSENGER MOTOR VEHICLE IS RENTED;

(2) THE RENTER'S SPOUSE HAVING A VALID DRIVER'S LICENSE AND MEETING THE RENTAL COMPANY'S MINIMUM AGE REQUIREMENTS;

(3) ANY PERSON WITH A VALID DRIVER'S LICENSE WHO OPERATES THE VEHICLE DURING AN EMERGENCY SITUATION; OR

(4) ANY PERSON EXPRESSLY LISTED BY THE RENTAL COMPANY ON THE RENTAL AGREEMENT AS AN AUTHORIZED DRIVER.

"COLLISION DAMAGE WAIVER." ANY CONTRACT OR CONTRACTUAL PROVISION, WHETHER SEPARATE FROM OR A PART OF A MOTOR VEHICLE RENTAL AGREEMENT, WHEREBY THE LESSOR AGREES FOR A CHARGE, TO WAIVE ANY AND ALL CLAIMS AGAINST THE LESSEE FOR ANY DAMAGE TO THE RENTAL MOTOR VEHICLE DURING THE TERM OF THE RENTAL AGREEMENT.

"PRIVATE PASSENGER MOTOR VEHICLE." A MOTOR VEHICLE DESIGNED

1 FOR CARRYING TEN PASSENGERS OR LESS AND PRIMARILY USED FOR THE  
2 TRANSPORTATION OF PERSONS, WHICH TERM ALSO INCLUDES VANS AND  
3 MINIVANS.

4 "RENTAL AGREEMENT." ANY WRITTEN AGREEMENT SETTING FORTH THE  
5 TERMS AND CONDITIONS GOVERNING THE AUTHORIZED DRIVER'S USE OF A  
6 PRIVATE PASSENGER MOTOR VEHICLE PROVIDED BY A RENTAL CAR  
7 COMPANY.

8 "RENTAL COMPANY." A PERSON REGULARLY ENGAGED IN RENTING OR  
9 LEASING, OFFERING TO RENT OR LEASE, OR ARRANGING THE RENTING OR  
10 LEASING OF A MOTOR VEHICLE FOR A VALUABLE CONSIDERATION UNDER A  
11 CONSUMER RENTAL.

12 "RENTAL CUSTOMER." ANY PERSON THAT OBTAINS THE USE OF A  
13 PRIVATE PASSENGER MOTOR VEHICLE FROM A RENTAL COMPANY UNDER THE  
14 TERMS AND CONDITIONS OF A RENTAL AGREEMENT.

15 Section 3. Disclosure requirements.

16 (a) ~~Consumer rental~~ RENTAL agreements.--No ~~automobile rental~~ <—  
17 company shall:

18 (1) Enter into a ~~consumer~~ rental agreement ~~with a rental~~ <—  
19 ~~customer~~ FOR THE RENTAL OF A PRIVATE PASSENGER MOTOR VEHICLE <—  
20 unless the agreement fully discloses each charge attached to  
21 the rental of the vehicle and the total charge for the rental  
22 in a clear and conspicuous manner. The charges shall be  
23 itemized and shall include, but not be limited to, any  
24 charges for insurance, airport surcharges, refueling charges  
25 and fees for additional drivers of the vehicle.

26 (2) Charge an amount for the ~~consumer~~ rental of a <—  
27 ~~vehicle~~ PRIVATE PASSENGER MOTOR VEHICLE which is in excess of <—  
28 the amount stated in the rental agreement.

29 (B) RESTRICTION.--ALL RESTRICTIONS, CONDITIONS OR PROVISIONS <—  
30 IN OR ENDORSED ON A COLLISION DAMAGE WAIVER SHALL BE PRINTED IN

1 TYPE AS LARGE AS TEN-POINT TYPE, OR BE WRITTEN IN PEN AND INK OR  
2 TYPEWRITTEN IN OR ON SUCH AGREEMENT, BUT NOTHING CONTAINED IN  
3 THIS SECTION SHALL RELATE OR APPLY TO PHOTOGRAPHIC COPIES OF  
4 APPLICATIONS OR PARTS THEREOF ATTACHED TO OR MADE PARTS OF SUCH  
5 AGREEMENT.

6 (C) COST.--THE COLLISION DAMAGE WAIVER SHALL INCLUDE A  
7 STATEMENT OF THE DAILY CHARGE FOR THE WAIVER PERIOD.

8 (D) NOTICE.--THE AGREEMENT CONTAINING THE COLLISION DAMAGE  
9 WAIVER SHALL DISPLAY THE FOLLOWING NOTICE ON THE FACE OF THE  
10 AGREEMENT, SET APART AND IN BOLDFACE TYPE AND IN NO SMALLER  
11 PRINT THAN TEN-POINT TYPE:

12 NOTICE: THE PURCHASE OF THIS COLLISION DAMAGE WAIVER IS  
13 NOT MANDATORY AND MAY BE WAIVED. THIS CONTRACT OFFERS,  
14 FOR AN ADDITIONAL CHARGE, A COLLISION DAMAGE WAIVER TO  
15 COVER YOUR RESPONSIBILITY FOR DAMAGE TO THE VEHICLE.  
16 BEFORE DECIDING WHETHER TO PURCHASE THE COLLISION DAMAGE  
17 WAIVER, YOU MAY WISH TO DETERMINE WHETHER YOUR OWN  
18 AUTOMOBILE INSURANCE OR CREDIT CARD AFFORDS YOU COVERAGE  
19 FOR DAMAGE TO THE RENTAL VEHICLE AND THE AMOUNT OF THE  
20 DEDUCTIBLE UNDER YOUR OWN INSURANCE COVERAGE.

21 ~~(b)~~ (E) Advertising.--No automobile rental company shall: <—  
22 (1) Advertise the consumer rental of a ~~vehicle~~ PRIVATE <—  
23 PASSENGER MOTOR VEHICLE unless ~~the advertisement discloses,~~ <—  
24 ~~in a prominent manner, the total charges for the rental and~~  
25 ~~explains to rental customers that their own personal~~  
26 ~~automobile insurance policies may cover the use of a car~~  
27 ~~rental.~~ THE ADVERTISEMENT INCLUDES A CLEARLY READABLE <—  
28 STATEMENT OF THE CHARGE FOR COLLISION DAMAGE WAIVER AND A  
29 STATEMENT THAT COLLISION DAMAGE WAIVER IS OPTIONAL.

30 (2) Charge an amount for the ~~consumer~~ rental of a <—

1     ~~vehicle~~ PRIVATE PASSENGER MOTOR VEHICLE which is in excess of     <—  
2     the amount stated FOR MANDATORY CHARGES in any advertisement     <—  
3     applicable to the consumer rental.

4     ~~Section 4. Insurance.~~     <—

5     ~~No automobile rental company shall enter into a consumer~~  
6     ~~rental unless it has arranged for automobile insurance coverage~~  
7     ~~of the vehicle so that the rental customer will not be subject~~  
8     ~~to any liability for damage to the vehicle except for a~~  
9     ~~reasonable deductible fee.~~

10    ~~Section 5. Vehicle switching.~~

11    ~~(a) General rule. No automobile rental company shall change~~  
12    ~~the make, year or model of a vehicle rented under a consumer~~  
13    ~~rental unless:~~

14         ~~(1) the vehicle is equal or larger in size;~~

15         ~~(2) the vehicle is no older than the one previously~~  
16         ~~offered; or~~

17         ~~(3) the rental customer agrees to the change.~~

18    ~~(b) Excess amount prohibited. The rental customer shall not~~  
19    ~~be charged an amount in excess of the amount initially agreed~~  
20    ~~upon in the rental agreement for any vehicle that is changed or~~  
21    ~~switched.~~

22    SECTION 4. COLLISION DAMAGE WAIVER.     <—

23         NO AUTOMOBILE RENTAL COMPANY WHICH ADVERTISES A RENTAL RATE  
24         WHICH DOES NOT INCLUDE A COLLISION DAMAGE WAIVER SHALL REQUIRE  
25         THAT A RENTAL CUSTOMER PURCHASE A COLLISION DAMAGE WAIVER TO  
26         OBTAIN THE ADVERTISED RENTAL RATE.

27    SECTION 5. VEHICLE SWITCHING.

28         (A) GENERAL RULE.--IF AN AUTOMOBILE RENTAL COMPANY DOES NOT  
29         PROVIDE A RENTAL CUSTOMER WITH THE MODEL OF VEHICLE RESERVED,  
30         BUT INSTEAD PROVIDES THE RENTAL CUSTOMER WITH A DIFFERENT MODEL

1 OF VEHICLE, THAT MODEL MUST BE IN THE SAME OR LARGER CAR  
2 CATEGORY AS THE MODEL RESERVED, UNLESS THE CUSTOMER AGREES  
3 OTHERWISE.

4 (B) EXTRA CHARGE PROHIBITED.--WHEN AN AUTO RENTAL COMPANY  
5 PROVIDES A RENTAL CUSTOMER WITH A VEHICLE UNDER THE PROVISIONS  
6 OF SUBSECTION (A), THE AUTOMOBILE RENTAL COMPANY SHALL DO SO AT  
7 NO EXTRA CHARGE TO THE RENTAL CUSTOMER, UNLESS THE RENTAL  
8 CUSTOMER AGREES OTHERWISE.

9 Section 6. Penalties.

10 (a) General rule.--A person found to be in violation of any  
11 provisions of this act shall pay a fine of \$1,000 for each  
12 offense.

13 (b) Other acts.--A violation of any provision of this act  
14 shall also be considered "unfair or deceptive acts or practices"  
15 under the act of December 17, 1968 (P.L.1224, No.387), known as  
16 the Unfair Trade Practices and Consumer Protection Law, and  
17 shall be punishable under that act.

18 Section 7. Effective date.

19 This act shall take effect in 60 days.