THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 167

Session of 1991

INTRODUCED BY ROBINSON, D. R. WRIGHT, SALOOM, CARN, CORRIGAN, DALEY, CAWLEY, GIGLIOTTI, PESCI, JOSEPHS, PISTELLA, HAYDEN, FREEMAN, TRELLO AND WILLIAMS, JANUARY 30, 1991

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JANUARY 30, 1991

AN ACT

- 1 Requiring automobile rental companies to make full disclosure of
- 2 rental charges in advertising and to rental customers;
- 3 prohibiting certain practices; and creating penalties.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Short title.
- 7 This act shall be known and may be cited as the Consumer
- 8 Motor Vehicle Rental Act.
- 9 Section 2. Definitions.
- 10 The following words and phrases when used in this act shall
- 11 have the meanings given to them in this section unless the
- 12 context clearly indicates otherwise:
- 13 "Authorized driver." Any person:
- 14 (1) having a valid driver's license and meeting the
- 15 rental company's minimum age requirements to whom the private
- passenger motor vehicle is rented;
- 17 (2) the renter's spouse having a valid driver's license
- and meeting the rental company's minimum age requirements;

- 1 (3) any person with a valid driver's license who
- 2 operates the vehicle during an emergency situation; or
- 3 (4) any person expressly listed by the rental company on
- 4 the rental agreement as an authorized driver.
- 5 "Collision damage waiver." Any contract or contractual
- 6 provision, whether separate from or a part of a motor vehicle
- 7 rental agreement, whereby the lessor agrees for a charge, to
- 8 waive any and all claims against the lessee for any damage to
- 9 the rental motor vehicle during the term of the rental
- 10 agreement.
- 11 "Private passenger motor vehicle." A motor vehicle designed
- 12 for carrying ten passengers or less and primarily used for the
- 13 transportation of persons, which term also includes vans and
- 14 minivans.
- 15 "Rental agreement." Any written agreement setting forth the
- 16 terms and conditions governing the authorized driver's use of a
- 17 private passenger motor vehicle provided by a rental car
- 18 company.
- 19 "Rental company." A person regularly engaged in renting or
- 20 leasing, offering to rent or lease, or arranging the renting or
- 21 leasing of a motor vehicle for a valuable consideration under a
- 22 consumer rental.
- 23 "Rental customer." Any person that obtains the use of a
- 24 private passenger motor vehicle from a rental company under the
- 25 terms and conditions of a rental agreement.
- 26 Section 3. Disclosure requirements.
- 27 (a) Rental agreements. -- No rental company shall:
- 28 (1) Enter into a rental agreement for the rental of a
- 29 private passenger motor vehicle unless the agreement fully
- 30 discloses each charge attached to the rental of the vehicle

- and the total charge for the rental in a clear and
- 2 conspicuous manner. The charges shall be itemized and shall
- 3 include, but not be limited to, any charges for insurance,
- 4 airport surcharges, refueling charges and fees for additional
- 5 drivers of the vehicle.
- 6 (2) Charge an amount for the rental of a private
- 7 passenger motor vehicle which is in excess of the amount
- 8 stated in the rental agreement.
- 9 (b) Restriction.--All restrictions, conditions or provisions
- 10 in or endorsed on a collision damage waiver shall be printed in
- 11 type as large as ten-point type, or be written in pen and ink or
- 12 typewritten in or on such agreement, but nothing contained in
- 13 this section shall relate or apply to photographic copies of
- 14 applications or parts thereof attached to or made parts of such
- 15 agreement.
- 16 (c) Cost.--The collision damage waiver shall include a
- 17 statement of the daily charge for the waiver period.
- 18 (d) Notice.--The agreement containing the collision damage
- 19 waiver shall display the following notice on the face of the
- 20 agreement, set apart and in boldface type and in no smaller
- 21 print than ten-point type:
- 22 Notice: The purchase of this collision damage waiver is
- 23 not mandatory and may be waived. This contract offers,
- for an additional charge, a collision damage waiver to
- cover your responsibility for damage to the vehicle.
- 26 Before deciding whether to purchase the collision damage
- 27 waiver, you may wish to determine whether your own
- 28 automobile insurance or credit card affords you coverage
- for damage to the rental vehicle and the amount of the
- deductible under your own insurance coverage.

- 1 (e) Advertising. -- No rental company shall:
- 2 (1) Advertise the consumer rental of a private passenger
- 3 motor vehicle unless the advertisement includes a clearly
- 4 readable statement of the charge for collision damage waiver
- 5 and a statement that collision damage waiver is optional.
- 6 (2) Charge an amount for the rental of a private
- 7 passenger motor vehicle which is in excess of the amount
- 8 stated for mandatory charges in any advertisement applicable
- 9 to the consumer rental.
- 10 Section 4. Collision damage waiver.
- 11 No automobile rental company which advertises a rental rate
- 12 which does not include a collision damage waiver shall require
- 13 that a rental customer purchase a collision damage waiver to
- 14 obtain the advertised rental rate.
- 15 Section 5. Vehicle switching.
- 16 (a) General rule. -- If an automobile rental company does not
- 17 provide a rental customer with the model of vehicle reserved,
- 18 but instead provides the rental customer with a different model
- 19 of vehicle, that model must be in the same or larger car
- 20 category as the model reserved, unless the customer agrees
- 21 otherwise.
- 22 (b) Extra charge prohibited. -- When an auto rental company
- 23 provides a rental customer with a vehicle under the provisions
- 24 of subsection (a), the automobile rental company shall do so at
- 25 no extra charge to the rental customer, unless the rental
- 26 customer agrees otherwise.
- 27 Section 6. Penalties.
- 28 (a) General rule. -- A person found to be in violation of any
- 29 provisions of this act shall pay a fine of \$1,000 for each
- 30 offense.

- 1 (b) Other acts.--A violation of any provision of this act
- 2 shall also be considered "unfair or deceptive acts or practices"
- 3 under the act of December 17, 1968 (P.L.1224, No.387), known as
- 4 the Unfair Trade Practices and Consumer Protection Law, and
- 5 shall be punishable under that act.
- 6 Section 7. Effective date.
- 7 This act shall take effect in 60 days.