

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 447 Session of
1993

INTRODUCED BY ROBINSON, MIHALICH, FREEMAN, THOMAS, BELARDI,
DALEY, JOSEPHS, MELIO, ACOSTA, FAJT, CARN, STABACK, LAUGHLIN,
TRELLO, PRESTON, VEON, DeLUCA, PISTELLA, M. COHEN, COY,
KIRKLAND, HUGHES, CIVERA AND JAMES, MARCH 15, 1993

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 15, 1993

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 imposing 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 of the following:

14 (1) A person having a valid driver's license and meeting
15 the rental company's minimum age requirements to whom the
16 private passenger motor vehicle is rented.

17 (2) The renter's spouse having a valid driver's license

1 and meeting the rental company's minimum age requirements.

2 (3) A person with a valid driver's license who operates
3 the vehicle during an emergency situation.

4 (4) A person expressly listed by the rental company on
5 the rental agreement as an authorized driver.

6 "Collision damage waiver." A contract or contractual
7 provision, whether separate from or a part of a motor vehicle
8 rental agreement, whereby the lessor agrees for a charge, to
9 waive any and all claims against the lessee for any damage to
10 the rental motor vehicle during the term of the rental
11 agreement.

12 "Private passenger motor vehicle." A motor vehicle designed
13 to carry ten passengers or less and primarily used for the
14 transportation of persons, including vans and minivans.

15 "Rental agreement." A 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." A 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) General rule.--A rental company shall not:

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

1 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) Collision damage waiver.--All restrictions, conditions
10 or provisions in or endorsed on a collision damage waiver shall
11 be printed in type as large as ten-point type, or be written in
12 pen and ink or typewritten in or on the agreement, but nothing
13 contained in this section shall relate or apply to photographic
14 copies of applications or parts thereof attached to or made
15 parts of the 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,
24 for an additional charge, a collision damage waiver to
25 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
29 for damage to the rental vehicle and the amount of the
30 deductible under your own insurance coverage.

(e) Advertising.--A rental company shall not:

(1) Advertise the consumer rental of a private passenger motor vehicle unless the advertisement includes a clearly readable statement of the charge for collision damage waiver and a statement that collision damage waiver is optional.

(2) Charge an amount for the rental of a private passenger motor vehicle which is in excess of the amount stated for mandatory charges in any advertisement applicable to the consumer rental.

Section 4. Collision damage waiver.

An automobile rental company which advertises a rental rate that does not include a collision damage waiver shall not require that a rental customer purchase a collision damage waiver to obtain the advertised rental rate.

Section 5. Vehicle switching.

(a) General rule.--If an automobile rental company does not provide a rental customer with the model of vehicle reserved, but instead provides the rental customer with a different model of vehicle, that model must be in the same or larger car category as the model reserved, unless the customer agrees otherwise.

(b) Extra charge prohibited.--When an auto rental company provides a rental customer with a vehicle under the provisions of subsection (a), the automobile rental company shall do so at no extra charge to the rental customer, unless the rental customer agrees otherwise.

Section 6. Penalties.

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

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

6 Section 7. Effective date.

7 This act shall take effect in 60 days.