

HS HCS HB 1285 -- CAR RENTAL INSURANCE (Engler)

This substitute changes the laws regarding car rental contracts. The substitute:

- (1) Changes the definition of "authorized driver" as it applies to car rental contracts to exclude employers, parking valets, and family members other than a spouse;
- (2) Revises the written notice that must appear on every car rental contract regarding the purchase of optional insurance coverage and how the consumer's own auto insurance policy or credit card might already offer that protection. However, this notice will be deemed provided if included in a master rental agreement given to the consumer prior to the effective date of the substitute. Notice may also be provided on the car rental company's web site;
- (3) Requires car rental companies to provide notice to the consumer in the form of a sign or brochure that informs the consumer about the availability of a collision damage waiver, any other optional car rental insurance, and a statement that the purchase of collision damage waiver is not required in order to rent a car;
- (4) Clarifies that a violation for deceptive and unfair practice must be done knowingly and intentionally; and
- (5) Makes a \$50 fine for each violation the sole remedy for any violation by a car rental company, up to \$10,000 in any calendar year.

FISCAL NOTE: No impact on General Revenue Fund in FY 2005, FY 2006, and FY 2007. Estimated Income on Other State Funds of Unknown less than \$100,000 in FY 2005, FY 2006, and FY 2007.