UNOFFICIAL COPY OF SENATE BILL 888

6lr3169 CF 6lr2760

By: Senator Stone

Introduced and read first time: February 13, 2006 Assigned to: Rules Re-referred to: Finance, February 16, 2006

Committee Report: Favorable Senate action: Adopted Read second time: March 24, 2006

CHAPTER_____

1 AN ACT concerning

2 Vehicle Laws - Rental Vehicle Companies - Prohibition on Separately Stated 3 Charges

4 FOR the purpose of prohibiting a rental vehicle company from charging a consumer a

- 5 separately stated fee to recover the rental vehicle company's titling and
- 6 registration costs for its fleet of rental vehicles unless the fee represents a good
- 7 faith estimate of certain costs and is itemized and described in a rental
- 8 agreement in a certain manner; requiring a rental vehicle company to adjust the
- 9 amount of the fee under certain circumstances; requiring a rental vehicle
- 10 company to include certain information relating to the fee in an advertisement
- 11 except under certain circumstances; defining a certain term; and generally
- 12 relating to rental vehicle fees.

13 BY adding to

- 14 Article Transportation
- 15 Section 18-108
- 16 Annotated Code of Maryland
- 17 (2002 Replacement Volume and 2005 Supplement)
- 18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 19 MARYLAND, That the Laws of Maryland read as follows:

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Article - Transportation

2 18-108.

3 (A) IN THIS SECTION, "RENTAL VEHICLE COMPANY" MEANS A PERSON THAT 4 RENTS A MOTOR VEHICLE TO A CONSUMER.

5 (B) A RENTAL VEHICLE COMPANY MAY NOT CHARGE A CONSUMER A
6 SEPARATELY STATED FEE TO RECOVER ANY PORTION OF THE RENTAL VEHICLE
7 COMPANY'S TITLING AND REGISTRATION COSTS INCURRED UNDER TITLE 13 OF THIS
8 ARTICLE FOR ITS FLEET OF RENTAL VEHICLES, UNLESS THE FEE:

9 (1) REPRESENTS A GOOD FAITH ESTIMATE BY THE RENTAL VEHICLE 10 COMPANY OF THE AVERAGE PER DAY PER VEHICLE PORTION OF THE RENTAL 11 VEHICLE COMPANY'S TOTAL ANNUAL TITLING AND REGISTRATION COSTS INCURRED 12 UNDER TITLE 13 OF THIS ARTICLE;

13 (2) IS ITEMIZED IN A RENTAL AGREEMENT SEPARATELY FROM OTHER 14 CHARGES TO THE CONSUMER; AND

15 (3) IS DESCRIBED IN THE RENTAL AGREEMENT AS:

16 "THE ESTIMATED AVERAGE PER DAY PER VEHICLE PORTION OF THE17 RENTAL COMPANY'S TOTAL ANNUAL TITLING AND REGISTRATION COSTS".

18 (C) IF THE TOTAL AMOUNT OF THE FEES COLLECTED BY A RENTAL VEHICLE
19 COMPANY UNDER THIS SECTION DURING A 12-MONTH PERIOD EXCEEDS THE
20 RENTAL VEHICLE COMPANY'S ACTUAL TITLING AND REGISTRATION COSTS
21 INCURRED DURING THE SAME 12-MONTH PERIOD, THE RENTAL VEHICLE COMPANY
22 SHALL:

23 (1) RETAIN THE EXCESS AMOUNT; AND

24 (2) ADJUST THE ESTIMATED AVERAGE PER DAY PER VEHICLE TITLING
25 AND REGISTRATION CHARGE FOR THE FOLLOWING 12-MONTH PERIOD BY A
26 CORRESPONDING AMOUNT.

(D) IF A RENTAL VEHICLE COMPANY ADVERTISES THE RENTAL RATE FOR A
VEHICLE AVAILABLE FOR RENT IN THE STATE, THE FEE AUTHORIZED UNDER THIS
SECTION SHALL BE INCLUDED IN THE ADVERTISED PRICE, UNLESS THE
ADVERTISEMENT CLEARLY AND CONSPICUOUSLY DISCLOSES THE MAXIMUM DAILY
AMOUNT OF THE FEE.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect33 October 1, 2006.