CHERYL C. KAGAN

Legislative District 17

Montgomery County

Vice Chair
Education, Health, and
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Joint Audit Committee

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THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

SB377: Vehicle Laws – Rental Vehicles – Provision of Spare Tires
Senate Judicial Proceedings Committee
Wednesday, February 10, 2021, 1:00PM

While traveling across the midwest last summer, my Avis rental car got a flat tire. I thought I had two choices-- waiting for 4-5 hours (seriously!) for roadside assistance... or changing it myself. After unloading the trunk, I was shocked to discover that the vehicle did not come with a spare! Imagine a driver stranded in the middle of nowhere at 3am and no cell phone service. That renter could be nearly out of gas in frigid cold weather and hypothetically could be vulnerable to assault, abduction, or even murder.

Millions of Americans use rental cars when exploring a new destination; travelling for work; or waiting on repairs to their vehicle. Rental companies are *only* required to provide individuals with a "vehicle in operating condition." Avis & Budget rental agreements both state that they will "replace a flat or damaged tire with the spare or get the car towed to the nearest service facility." The word "the" rather than "a" clearly implies that the car is equipped with a spare tire. My Avis rental car did not come with "the" spare tire.

The intent of <u>SB377</u> as originally drafted was to require rental car companies to provide a spare permanent or temporary "donut" tire in every vehicle. Since then, we have learned that an increasing number of new model cars are built without a tire well. With coaching from AAA and others, we offer an amendment today:

- Rental agreements must inform the driver whether the vehicle has a spare tire.
 - This disclosure must be initialed by the consumer.
- If the vehicle has a tire well, rental car companies must provide a spare permanent or temporary "donut" tire.
- Renters who are forced to upgrade in order to drive a vehicle with a spare tire will not be charged any additional fees.
- We have clarified that this bill covers only passenger cars and SUVs-- not commercial trucks.

In 2019, AAA-Mid Atlantic assisted 97,834 members reporting a flat tire. Even in 2020, with fewer people traveling, they serviced 75,660 Maryland members stuck on the side of the road. This legislation will protect consumers from a potentially dangerous situation.

I urge a favorable report on SB377 as amended.



SB0377/383021/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

08 FEB 21 09:34:44

BY: Senator Kagan

(To be offered in the Judicial Proceedings Committee)

AMENDMENTS TO SENATE BILL 377

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, after "vehicle;" insert "providing an exception to the requirement that motor vehicle companies must provide one of certain spare tires with a rental vehicle; requiring a motor vehicle rental company to disclose in the rental agreement whether a rental vehicle is equipped with one of certain spare tires; requiring a motor vehicle rental company to require a renter to initial the disclosure before renting a rental vehicle; prohibiting a motor vehicle rental company from assessing an additional charge in certain circumstances;".

AMENDMENT NO. 2

On page 2, after line 9, insert:

"(4) "RENTAL VEHICLE" MEANS A MOTOR VEHICLE REGISTERED UNDER § 13–912 OR § 13–937 OF THIS ARTICLE.";

in line 10, strike "A" and substitute:

"(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SECTION, A";

after line 12, insert:

- "(2) THIS SUBSECTION DOES NOT APPLY TO A RENTAL VEHICLE THAT DOES NOT HAVE A BUILT-IN TIRE WELL.
 - (C) A MOTOR VEHICLE RENTAL COMPANY SHALL:

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- (1) DISCLOSE IN THE RENTAL AGREEMENT WHETHER A RENTAL VEHICLE IS EQUIPPED WITH A SPARE MANUFACTURER'S STANDARD ISSUE PERMANENT TIRE OR A SPARE DONUT TIRE; AND
- (2) REQUIRE A RENTER TO INITIAL THE DISCLOSURE BEFORE RENTING A RENTAL VEHICLE.
- (D) A MOTOR VEHICLE RENTAL COMPANY MAY NOT ASSESS AN ADDITIONAL CHARGE TO UPGRADE A RENTAL VEHICLE IF:
- (I) A RENTER REQUESTS A RENTAL VEHICLE WITH A SPARE
 MANUFACTURER'S STANDARD ISSUE PERMANENT TIRE OR A SPARE DONUT TIRE;
 AND
- (II) THE MOTOR VEHICLE RENTAL COMPANY MUST UPGRADE THE RENTAL VEHICLE TO ACCOMMODATE THE REQUEST.".



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For News Releases, visit: www.AAA.com/AAANews

SPARE ME! AAA URGES MOTORISTS NOT TO GET CAUGHT WITHOUT A SPARE TIRE THIS WINTER

A Timely Reminder For Drivers Who Haven't Been Driving As Much Due To COVID-19 And As Maryland Legislators Consider Spare Tire Legislation

TOWSON, MD (Wednesday, February 10, 2021) – Winter weather undoubtedly leads to treacherous driving conditions including potholes, and ultimately, flat tires. This winter, after almost a year of limited driving due to COVID-19, some motorists are taking to the roads in vehicles that have been idle or not driven as much, not realizing that they don't have the proper tire tread, air pressure, or a spare tire.

"In recent years, more and more motorists calling AAA for roadside assistance due to flat tires are discovering that to their surprise, they don't have a spare tire in their vehicles," said Ragina C. Ali, Public and Government Affairs Manager at AAA Mid-Atlantic. "COVID-19 also factors into the mix this winter as many drivers have not been on the road as much and may have let vehicle maintenance fall by the wayside," Ali added.

In an effort to reduce weight and improve fuel economy, automakers continue to eliminate spare tires from new vehicles. According to AAA, <u>nearly one-third (28 percent) of 2017 model year vehicles</u> do not come with a spare tire as standard equipment, creating an unnecessary hassle and expense for drivers.

In 2020, AAA Mid-Atlantic came to the rescue of 75,660 members faced with a flat tire in Maryland. In 2019, 97,834 members needed assistance with a tire issue. To avoid a roadside surprise, AAA urges drivers to check their trunk for a spare tire before trouble strikes. AAA roadside assistance asks members calling with tire issues if they have a spare tire. This helps determine how to best service members, by either putting on the spare tire help the motorist get back on the road and later replace the tire, or towing the vehicle to a place where a replacement tire can be obtained.

"As vehicles return to the road after sitting idle or not driven as they typically would be due to COVID-19, motorists are reminded to check their tire pressure and tread depths, as well as whether or not they have a spare tire on board," says Chris Storms, District Director for AAA Car Care. "Getting stuck on the side of the road is not the time to discover you don't have a spare tire."

Here in Maryland, lawmakers will be considering <u>SB 377 – Vehicle Laws – Rental Vehicles – Provision of Spare Tires</u> in the Senate Judicial Proceedings Committee today. The bill's sponsor, <u>Senator Cheryl C. Kagan</u>, *District 17*, introduced the legislation to have motorists avoid having a flat tire, only to find out there is no spare - as was the case for her last summer, on a road trip.

"While new vehicles are equipped with tire pressure monitoring systems that alert drivers to low tire pressure, AAA's roadside assistance data shows that flat tires remain one of the top reasons our

members call for service," said Ali. "Unfortunately, it is often not until they have a flat tire that many motorists realize they do not have a spare tire."

Even if drivers do have a spare tire, they are often reaching for their cell phones to call for roadside assistance rather than changing the tire themselves. According to a previous AAA survey, nearly 20 percent (39 million) of U.S. drivers do not know how to change a flat tire.

"Having a flat tire can be a nuisance for drivers, but not having a spare could turn the relatively routine process of changing a tire at the roadside into an inconvenient and costly situation that requires a tow to a repair facility," said Storms.

As a replacement for a spare tire, some automakers are including tire-inflator kits that can temporarily repair small punctures in flat tires. However, a 2015 AAA study found that tire-inflator kits have limited functionality and cannot provide even a temporary fix for many tire-related problems, including sidewall damage or blowouts. Not only are tire-inflator kits not a good substitute for a spare tire, they can cost up to 10 times more than a tire repair and have a shelf life of only four to eight years.

"With low-profile tires and the elimination of a spare tire, many newer vehicles are especially vulnerable to roadside tire trouble," Storms said. "AAA urges drivers to make it a priority to check their vehicle's equipment and know what to do if faced with a flat tire."

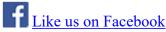
To prevent drivers from being stranded in the event of a flat tire, AAA offers these precautionary tips:

- Do not assume there's a spare. When purchasing a new vehicle, always ask for a detailed list of equipment and whether a spare tire can be purchased.
- Inspect all FIVE tires. Check tire pressures monthly and have all tires inspected as part of routine maintenance. If your vehicle has a spare tire, be sure that it's properly inflated.
- Read ahead. If your vehicle is equipped with a tire-inflator kit, read the owner's manual and understand how it works and its limitations.
- Check expiration dates. If your vehicle is equipped with a tire-inflator kit, check its expiration date. Most need to be replaced every four to eight years.
- Consider roadside assistance coverage. Roadside assistance coverage can offer peace of mind when faced with roadside trouble, including a flat tire. To become a AAA member, visit AAA.com/join.

AAA roadside assistance crews are always at the ready to assist our members when they need us most, especially during the COVID-19 pandemic, a time when relying on others for help may not be an option. When members call for roadside assistance, they will be helped by a driver wearing fresh gloves and driving a vehicle that has been disinfected after each service call. For the protection of our members and AAA drivers, members will not be allowed to ride with the tow truck driver to the tow destination. This is to ensure compliance with social distancing recommendations by the CDC and other relevant authorities.

In addition, drivers should identify a repair shop they trust to help keep their vehicle tires in good shape. AAA Approved Auto Repair network consists of more than 7,000 facilities that have met AAA's high standards, including, technician certifications, ongoing training, financial stability, facility cleanliness, insurance requirements, rigorous inspections and customer satisfaction. Visit AAA.com/AutoRepair to find a nearby facility.

Before hitting the road, download the free AAA Mobile app for iPhone, iPad, Android and Apple Watch. Travelers can use the app to request AAA roadside assistance, route a trip, find the lowest gas prices, access exclusive member discounts, book a hotel and more. Learn more at AAA.com/mobile.



AAA provides automotive, travel, and insurance services to over 61 million members nationwide and nearly 988,000 members in Maryland. AAA advocates for the safety and mobility of its members and has been committed to outstanding road service for more than 100 years. AAA is a non-stock, non-profit corporation working on behalf of motorists, who can now map a route, find local gas prices, discover discounts, book a hotel, and track their roadside assistance service with the AAA Mobile app (AAA.com/mobile) for iPhone, iPad and Android. For more information, visit AAA.com.

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Travel

When your rental breaks down, how do you avoid blowing it? Sometimes you can't.

+ Add to list

By Christopher Elliott

January 22, 2015

A car rental should be the least dramatic part of your vacation. You pick up the vehicle, you drive it, you return it to the airport. All done.

Unless you're John Themelis. When he rented a VW Passat from Hertz in San Francisco recently, his car blew a tire in a remote part of Northern California.

"I called the emergency services number to return the car for repair or a replacement car, but I was too far away from a Hertz location," he says. So Themelis paid \$122 for a new tire. When he returned the vehicle and presented the receipt, a company representative promised him credit for the repair. But the credit never appeared.

"I've left at least two phone messages," says Themelis, a retired engineering manager for the federal government who lives in Albuquerque. "I haven't had a reply."

Breakdowns such as this are infrequent because today's rental cars are more reliable than ever, rental experts say. Tire blowouts are so uncommon that many rental cars no longer come with spares. Still, it's not a possibility that a smart traveler should dismiss: A 2012 study by the National Highway Traffic Safety Administration concluded that when motorists are less familiar with the cars they're driving, they are more accident-prone.

When a rental car can't be driven — when a tire goes flat or an engine won't start — customers are often left with some difficult decisions. Should they report the damage and ask the rental company to fix it? Should they repair the car, hoping the rental company won't notice? And how, exactly, does an informed traveler stay ahead of a potential breakdown?

There's no standard response in the industry to a rental-car breakdown, says Sharon Faulkner, president of the American Car Rental Association, a trade group. "Each rental company just wants to get the customer on the road, either with a replacement or a quick and easy repair," she says.

The most common car trouble? Blown tires and headlights left on, which drains a car's battery, says Chris Brown, who edits the trade magazine Auto Rental News.

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"Mechanical failures are rare these days," he says.

So when something happens, employees are often as clueless as customers are about the next step. The Hertz representative assisting Themelis in San Francisco, for example, assumed her company would cover the cost of a new tire, but she was overruled. I contacted Hertz and asked about the damaged tire, and the company agreed to honor its initial offer.

- Repair policies can also vary by location. When Adam Cutler rented a car in Tel Aviv from Hertz recently, his tire also popped a flat.
- "Hertz's customer service representative informed me that tire damage is not covered through Hertz and that I should bring the car to the nearest possible mechanic and pay out of pocket for the repair," says Cutler, a rabbi who lives in Toronto.
- The mechanic diagnosed the problem as a previous puncture that had been poorly patched, and Cutler asked him to put on the spare. Hertz paid for that mechanic's work. The car rental company then sent Cutler to a second mechanic this one Hertz-certified who installed a new tire. This time, they charged Cutler.
- "I rented a car. It had a poorly repaired, previously damaged tire. I am not at fault in this situation," he says.
- I contacted Hertz about Cutler's case, and a representative e-mailed Cutler saying he was charged for the damage he caused. "Sorry for all [the] inconvenience or misunderstanding," the agent said in an e-mail. "But no refund is due in this case."
- Rental experts say the most common breakdowns are avoidable. Faulkner and Brown recommend inspecting the tires' tread before leaving the car-rental lot. If they look worn, ask for a different vehicle.
- There are other telltale signs you have the keys to a lemon. Among them: a registration that's about to expire and any warning lights flashing on the dashboard when you start up the car. And finally, if the car drives funny.
- "If anything feels amiss in the first five to 25 miles, return the car and ask for another one," Faulkner says.
- A former car-rental franchise owner, she recommends never repairing a car without first asking for permission. But customers are wary of being stuck with an even bigger bill if they formally report the damage and ask for the company's consent. When Edward Hahn rented a car this summer in Bozeman, Mont., he had to make a difficult decision. His wife had run over a piece of debris in the road, and a tire went flat. He phoned Enterprise and asked what would happen if, hypothetically, one of its customers had a flat tire. A representative said that person would be "on his own."
- "I found a tire dealer who had a used tire that was not identical but close to the tire that was flat," he says.

 "They installed it for \$50, and Enterprise never said a word when I returned the car."

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When rental cars break, travelers drive down a confusing road. Should they ask for help? And if they do, will they be held responsible for more damage than they caused? Or should they quietly repair the car and hope the problem goes away?

The answer to all these questions is: It depends. Maybe there's plenty of drama to your car rental, after all.

Elliott is a consumer advocate, journalist and co-founder of the advocacy group Travelers United. E-mail him at chris@elliott.org.

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