

**ASSEMBLY BILL**

**No. 675**

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**Introduced by Assembly Member Alejo**

February 25, 2015

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An act to amend Section 1936.01 of the Civil Code, relating to rental vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 675, as introduced, Alejo. Rental vehicles: separately stated charges.

Existing law requires a rental company, in connection with the rental of a passenger vehicle, to only advertise a rental rate that includes the entire amount, except taxes, a customer facility charge, and a mileage charge, that a renter must pay to rent a vehicle. Existing law specifies that when a rental company provides a quote or imposes a charge, it may separately state the rental rate, taxes, customer facility charge, airport concession, fee tourism commission assessment, as defined, and mileage charge. Existing law prohibits a rental company from charging any additional fees, other than specified charges, that must be paid by the renter as a condition of hiring or leasing the vehicle. Existing law requires a rental company, if customer facility charges, airport concession fees, or tourism commission assessments are imposed, to take specified actions. Existing law made these provisions, and other related provisions, operative only if a specified condition occurred.

This bill would make a technical, nonsubstantive change by deleting that conditional operative provision, because that specified condition occurred.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 1936.01 of the Civil Code is amended to read:

1936.01. (a) For the purpose of this section, the following definitions shall apply:

(1) "Airport concession fee" means a charge collected by a rental company from a renter that is the renter's proportionate share of the amount paid by the rental company to the owner or operator of an airport for the right or privilege of conducting a vehicle rental business on the airport's premises.

(2) "Quote" means an estimated cost of rental provided by a rental company or a third party to a potential customer by telephone, in-person, computer-transmission, or other means, that is based on information provided by the potential customer and used to generate an estimated cost of rental, including, but not limited to, any of the following: potential dates of rental, locations, or classes of car.

(3) "Tourism commission assessment" means the charge collected by a rental company from a renter that has been established by the California Travel and Tourism Commission pursuant to Section 13995.65 of the Government Code.

(b) Notwithstanding subdivision (m) of Section 1936, the following provisions shall apply:

(1) A rental company shall only advertise a rental rate that includes the entire amount, except taxes, a customer facility charge, if any, and a mileage charge, if any, that a renter must pay to hire or lease the vehicle for the period of time to which the rental rate applies.

(2) When providing a quote, or imposing charges for a rental, the rental company may separately state the rental rate, taxes, customer facility charge, if any, airport concession fee, if any, tourism commission assessment, if any, and a mileage charge, if any, that a renter must pay to hire or lease the vehicle for the period of time to which the rental rate applies. A rental company may not charge in addition to the rental rate, taxes, a customer facility charge, if any, airport concession fee, if any, tourism commission assessment, if any, and a mileage charge, if any, any fee that must be paid by the renter as a condition of hiring or leasing the vehicle,

1 such as, but not limited to, required fuel or airport surcharges other  
2 than customer facility charges and airport concession fees.

3 (3) If customer facility charges, airport concession fees, or  
4 tourism commission assessments are imposed, the rental company  
5 shall do each of the following:

6 (A) At the time the quote is given, provide the person receiving  
7 the quote with a good faith estimate of the rental rate, taxes,  
8 customer facility charge, if any, airport concession fee, if any, and  
9 tourism commission assessment, if any, as well as the total charges  
10 for the entire rental. The total charges, if provided on an Internet  
11 Web site, shall be displayed in a typeface at least as large as any  
12 rental rate disclosed on that page and shall be provided on a page  
13 that the person receiving the quote may reach by following links  
14 through no more than two Internet Web site pages, including the  
15 page on which the rental rate is first provided. The good faith  
16 estimate may exclude mileage charges and charges for optional  
17 items that cannot be determined prior to completing the reservation  
18 based upon the information provided by the person.

19 (B) At the time and place the rental commences, clearly and  
20 conspicuously disclose in the rental contract, or that portion of the  
21 contract that is provided to the renter, the total of the rental rate,  
22 taxes, customer facility charge, if any, airport concession fee, if  
23 any, and tourism commission assessment, if any, for the entire  
24 rental, exclusive of charges that cannot be determined at the time  
25 the rental commences. Charges imposed pursuant to this  
26 subparagraph shall be no more than the amount of the quote  
27 provided in a confirmed reservation, unless the person changes  
28 the terms of the rental contract subsequent to making the  
29 reservation.

30 (C) Provide each person, other than those persons within the  
31 rental company, offering quotes to actual or prospective customers  
32 access to information about customer facility charges, airport  
33 concession fees, and tourism commission assessments as well as  
34 access to information about when those charges apply. Any person  
35 providing quotes to actual or prospective customers for the hire  
36 or lease of a vehicle from a rental company shall provide the quotes  
37 in the manner described in subparagraph (A).

38 (4) In addition to the rental rate, taxes, customer facility charges,  
39 if any, airport concession fees, if any, tourism commission  
40 assessments, if any, and mileage charges, if any, a rental company

1 may charge for an item or service provided in connection with a  
2 particular rental transaction if the renter could have avoided  
3 incurring the charge by choosing not to obtain or utilize the  
4 optional item or service. Items and services for which the rental  
5 company may impose an additional charge, include, but are not  
6 limited to, optional insurance and accessories requested by the  
7 renter, service charges incident to the renter's optional return of  
8 the vehicle to a location other than the location where the vehicle  
9 was hired or leased, and charges for refueling the vehicle at the  
10 conclusion of the rental transaction in the event the renter did not  
11 return the vehicle with as much fuel as was in the fuel tank at the  
12 beginning of the rental. A rental company also may impose an  
13 additional charge based on reasonable age criteria established by  
14 the rental company.

15 (5) A rental company may not charge any fee for authorized  
16 drivers in addition to the rental charge for an individual renter.

17 (6) If a rental company states a rental rate in print advertisement  
18 or in a telephonic, in-person, or computer-transmitted quote, the  
19 rental company shall clearly disclose in that advertisement or quote  
20 the terms of any mileage conditions relating to the rental rate  
21 disclosed in the advertisement or quote, including, but not limited  
22 to, to the extent applicable, the amount of mileage and gas charges,  
23 the number of miles for which no charges will be imposed, and a  
24 description of geographic driving limitations within the United  
25 States and Canada.

26 (7) (A) When a rental rate is stated in an advertisement, in  
27 connection with a car rental at an airport where a customer facility  
28 charge is imposed, the rental company shall clearly disclose the  
29 existence and amount of the customer facility charge. For the  
30 purposes of this subparagraph, advertisements include radio,  
31 television, other electronic media, and print advertisements. If the  
32 rental rate advertisement is intended to include transactions at more  
33 than one airport imposing a customer facility charge, a range of  
34 charges may be stated in the advertisement. However, all rental  
35 rate advertisements that include car rentals at airport destinations  
36 shall clearly and conspicuously include a toll-free telephone  
37 number whereby a customer can be told the specific amount of  
38 the customer facility charge to which the customer will be  
39 obligated.

1 (B) If any person or entity other than a rental car company,  
2 including a passenger carrier or a seller of travel services, advertises  
3 a rental rate for a car rental at an airport where a customer facility  
4 charge is imposed, that person or entity shall, provided they are  
5 provided with information about the existence and amount of the  
6 charge, to the extent not specifically prohibited by federal law,  
7 clearly disclose the existence and amount of the charge. If a rental  
8 car company provides the person or entity with rental rate and  
9 customer facility charge information, the rental car company is  
10 not responsible for the failure of that person or entity to comply  
11 with this subparagraph.

12 (8) If a rental company delivers a vehicle to a renter at a location  
13 other than the location where the rental company normally carries  
14 on its business, the rental company may not charge the renter any  
15 amount for the rental for the period before the delivery of the  
16 vehicle. If a rental company picks up a rented vehicle from a renter  
17 at a location other than the location where the rental company  
18 normally carries on its business, the rental company may not charge  
19 the renter any amount for the rental for the period after the renter  
20 notifies the rental company to pick up the vehicle.

21 (9) Except as otherwise permitted pursuant to the customer  
22 facility charge, a rental company may not separately charge, in  
23 addition to the rental rate, a fee for transporting the renter to the  
24 location where the rented vehicle will be delivered to the renter.

25 (c) A renter may bring an action against a rental company for  
26 the recovery of damages and appropriate equitable relief for a  
27 violation of this section. The prevailing party shall be entitled to  
28 recover reasonable attorney's fees and costs.

29 (d) Any waiver of any of the provisions of this section shall be  
30 void and unenforceable as contrary to public policy.

31 ~~(e) This section shall become operative only if the Secretary of~~  
32 ~~Business, Transportation and Housing provides notice to the~~  
33 ~~Legislature and the Secretary of State and posts notice on its~~  
34 ~~Internet Web site that the conditions described in Section 13995.92~~  
35 ~~of the Government Code have been satisfied.~~