

2016 Regular Session

HOUSE BILL NO. 637

BY REPRESENTATIVE STOKES

FEES/LICENSES/PERMITS: Authorizes the imposition of certain fees for rental of automobiles

1 AN ACT

2 To enact Chapter 27-B of Title 51 of the Louisiana Revised Statutes of 1950, comprised of
3 R.S. 51:1949.1, relative to fees for automobile rentals; to authorize the inclusion of
4 certain mandatory fees as separate charges in a rental agreement; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. Chapter 27-B of Title 51 of the Louisiana Revised Statutes of 1950,
8 comprised of R.S. 51:1949.1, is hereby enacted to read as follows:

9 CHAPTER 27-B. MOTOR VEHICLE RENTAL AGREEMENTS

10 §1949.1. Imposition of certain fees in motor vehicle rental agreements

11 A. A motor vehicle rental company, in a rental agreement, may list
12 mandatory charges separately, including but not limited to vehicle license recovery
13 fees, airport access fees, airport concession fees, and all applicable taxes.

14 B. If a motor vehicle rental company includes a vehicle license recovery fee
15 as a separate charge in a rental agreement, the amount of the fee shall represent the
16 motor vehicle rental company's good-faith estimate of the company's average per
17 vehicle portion of the company's total annual titling and registration costs incurred
18 under the provisions of R.S. 47:451 et seq.

19 C. If the total amount of the vehicle license recovery fees collected by a
20 motor vehicle rental company under this Section in any one calendar year exceeds

1 the company's actual costs to license, title, and register the motor vehicles for that
2 year, the company shall do the following:

3 (1) Retain the excess amount collected.

4 (2) Adjust the estimated average per vehicle titling and registration charge
5 for the following calendar year by a corresponding amount.

6 D. As used in this Section, the following terms shall have the following
7 meanings:

8 (1) "Motor vehicle rental company" means a person whose primary business
9 is renting motor vehicles for periods of ninety days or fewer to consumers under
10 rental agreements.

11 (2) "Motor vehicle" means that term as defined in R.S. 47:451.

12 (3) "Vehicle license recovery fee" means a charge that is included in a
13 vehicle rental transaction to recover costs incurred by a motor vehicle rental
14 company to license, title, and register rental vehicles.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 637 Original

2016 Regular Session

Stokes

Abstract: Authorizes motor vehicle rental companies to separately list certain charges to recover the cost of titling, licensing, and registering their vehicle fleet.

Proposed law authorizes a motor vehicle rental company, in a rental agreement, to list mandatory charges separately, including but not limited to vehicle license recovery fees, airport access fees, airport concession fees, and all applicable taxes. Provides that if a motor vehicle rental company includes a vehicle license recovery fee as a separate charge in a rental agreement, the amount of the fee shall represent the motor vehicle rental company's good-faith estimate of the company's average per vehicle portion of the company's total annual titling and registration costs. Requires adjustment of the fee each year based on the amount collected as compared to the amount necessary for titling and registration. Provides certain definitions.

(Adds R.S. 51:1949.1)