

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

14 B. If a motor vehicle lessor includes a vehicle license recovery fee as a  
15 separate charge in a rental agreement, the amount of the fee shall represent the motor  
16 vehicle lessor's good-faith estimate of the lessor's average per vehicle portion of the  
17 lessor's total annual titling and registration costs incurred pursuant to the provisions  
18 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 lessor pursuant to this Section in any one calendar year exceeds the

1 lessor's actual costs to license, title, and register the motor vehicles for that year, the

2 lessor 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 have the following meanings:

7 (1) "Motor vehicle" means that term as defined in R.S. 32:1252.

8 (2) "Motor vehicle lessor" means that term as defined in R.S. 32:1252 and  
9 subject to the licensing provisions of R.S. 32:1254(A).

10 (3) "Vehicle license recovery fee" means a charge that is included in a  
11 vehicle rental transaction to recover costs incurred by a motor vehicle lessor to  
12 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 Engrossed

2016 Regular Session

Stokes

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

Proposed law authorizes a motor vehicle lessor, 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.

Proposed law provides that if a motor vehicle lessor includes a vehicle license recovery fee as a separate charge in a rental agreement, the amount of the fee shall represent the motor vehicle lessor's good-faith estimate of the lessor's average per vehicle portion of the lessor's total annual titling and registration costs. Proposed law requires adjustment of the fee each year based on the amount collected as compared to the amount necessary for titling and registration.

Proposed law provides certain definitions.

(Adds R.S. 51:1949.1)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.

2. Revise and reorganize definitions of the terms "motor vehicle" and "motor vehicle lessor".
3. Replace all references to "motor vehicle rental companies" with references to "motor vehicle lessors".