

HOUSE BILL NO. 6506

November 29, 2022, Introduced by Reps. Young, Pohutsky, Cavanagh and Morse and referred to the Committee on Regulatory Reform.

A bill to amend 1976 PA 331, entitled
"Michigan consumer protection act,"
by amending section 3h (MCL 445.903h), as added by 2008 PA 310.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3h. (1) At the time a car rental company provides a
2 consumer with a price quote or estimate for a vehicle rental
3 transaction, and in the rental agreement, the car rental company
4 shall do ~~either of the~~ following:
5 (a) Provide an estimated total price for the vehicle rental

1 transaction, -

2 ~~(b) Disclose or disclose~~ the existence of any vehicle license
3 cost recovery fee and any other separately stated mandatory fee.

4 **(b) Provide the smoking fee policy and smoking fee amount for**
5 **a violation of the policy. The smoking fee policy must allow a**
6 **consumer to have the vehicle inspected during business hours and a**
7 **determination made by the car rental company if the smoking fee**
8 **will be charged at the time of returning the vehicle.**

9 (2) If a vehicle license cost recovery fee is included as a
10 separately stated mandatory fee in a vehicle rental transaction,
11 the amount of the fee ~~shall~~**must** be based on the car rental
12 company's good-faith estimate of the car rental company's average
13 per vehicle portion of the total annual costs to license, title,
14 and register its vehicles. If the total amount of the vehicle
15 license recovery fees collected by a car rental company under this
16 section in any calendar year exceeds the car rental company's
17 actual costs to license, title, and register rental vehicles for
18 that calendar year, the car rental company shall do both of the
19 following:

20 (a) Retain the excess amount.

21 (b) Adjust the vehicle license recovery fees for the following
22 calendar year by reducing the fees by an amount equal to the excess
23 amount collected in the preceding calendar year.

24 (3) As used in this section:

25 (a) "Car rental company" means a person whose primary business
26 is renting vehicles to consumers under rental agreements for
27 periods of 90 days or less.

28 (b) "Estimated total price" means an estimated total for a
29 vehicle rental transaction based on the duration of the vehicle

1 rental transaction, the rental rate, and any mandatory fees.

2 (c) "Mandatory fee" means a fee, charge, or surcharge that a
3 car rental company includes in every vehicle rental transaction. A
4 fee, charge, or surcharge associated with optional products and
5 services available for purchase by a consumer at the time of rental
6 is not a mandatory fee.

7 (d) "Vehicle" means a motor vehicle as **that term is** defined in
8 section 33 of the Michigan vehicle code, 1949 PA 300, MCL 257.33.

9 (e) "Vehicle license cost recovery fee" means a charge that
10 may be included in a vehicle rental transaction originating in this
11 state to recover costs incurred by a car rental company to license,
12 title, and register rental vehicles.