

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**SESSION LAW 2007-235  
SENATE BILL 1118**

**AN ACT TO ALLOW THE UNBUNDLING OF VEHICLE LICENSE AND  
REGISTRATION FEES FROM RENTAL CAR RATES.**

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 66-201 is amended by adding a new subdivision to read:

"(8) "Vehicle license and registration fees" means charges that may be imposed upon any rental transaction originating in this State to recoup the costs incurred by a rental car company to license, title, inspect, and register rental vehicles. Rental car companies shall make a good faith effort to ensure that any vehicle license and registration fees collected do not exceed the actual costs incurred by the rental car company to license, title, inspect, and register rental vehicles. Any amounts collected by the rental car company in excess of the actual amount of its costs incurred shall be retained by the rental car company and applied to the costs incurred in the next calendar year for licensing, titling, inspecting, and registering rental vehicles. In that event, the good faith estimate of any vehicle license and registration fees to be charged by the company in the next calendar year shall be reduced to take into account the excess amount collected from the prior year."

**SECTION 2.** G.S. 66-202 reads as rewritten:

**"§ 66-202. Rental car advertising.**

(a) Except as set forth in subsections (d) and (e) of this section and G.S. 66-204(a), a rental car company shall only advertise and charge a rental rate that includes the entire amount, except taxes and a mileage charge, if any, that a renter must pay to hire or lease a vehicle for the period of time to which the rental rate applies.

(b) If a rental car company states a rental rate in a print advertisement or in an in-person or computer-transmitted quotation contained in the rental car company's proprietary computer reservation system, the rental car company shall clearly disclose or cause to be disclosed in that advertisement or quotation the terms of any mileage conditions relating to the advertised or quoted rental rate, including, but not limited to: To the extent applicable, the amount of mileage and fuel charges; the number of miles for which no charge will be imposed; and a description of the geographic driving limitations, if any, within the United States and Canada.

(c) A rental car company shall also include in all price advertising the daily rate it charges for collision damage waivers; shall state in such advertising that collision damage waivers are not required; and shall state that prospective renters should examine or inquire about their automobile insurance policies to see whether such policies will cover damage to rental vehicles.

(d) For a rental rate stated in an advertisement, quotation, or reservation for an airport location, a rental car company shall clearly and conspicuously disclose the existence and actual amount of the airport charges or fees, if any. For a rental rate stated in an advertisement, quotation, or reservation involving more than one airport location, a rental car company shall clearly and conspicuously disclose the existence and range of airport charges ~~or~~ or fees, if any, or the maximum airport charge or fee. A rental car company, in its discretion, may elect to separate vehicle license and registration fees

from its rental rate. For a rental rate stated in an advertisement, quotation, or reservation with a separate vehicle license and registration fee, a rental company shall clearly and conspicuously disclose the existence and range of vehicle license and registration fees or the maximum vehicle license and registration fee. For purposes of this section, advertisements shall include radio, television, other electronic media, and print. For purposes of this section, quotations and reservations shall include in-person or proprietary computer-transmitted reservation systems.

(e) A rental car company shall clearly and conspicuously display the total estimated price, and the amount of the airport charges or fees—fees, if any, and vehicle license and registration fees, if any, in any proprietary computer-assisted reservation system, shown or referenced on the same page on the computer screen viewed by the renter as the displayed rental rate and in a print size not smaller than the print size of the rental rate. ~~A rental car company shall inform the renter of the amount of the airport charges or fees either at the time of making an initial quotation of a rental rate or at the time of making a reservation, if the quotation is made by the rental car company for a location at which it collects airport charges or fees.~~ When providing a renter a quotation of a rental rate in person or over a voice system, a rental car company shall inform the renter of the total estimated price, inclusive of all taxes, fees, and charges, or shall disclose the amount of airport charges or fees, if any, and vehicle license and registration fees, if any. A rental car company shall separately identify the amount and existence of ~~the~~ airport charges or fees and vehicle license and registration fees on the rental agreement."

**SECTION 3.** G.S. 66-203(a) reads as rewritten:

"(a) No rental car company may charge, in addition to the rental rate, taxes, airport charges and fees, if any, vehicle license and registration fees, if any, and mileage charge, if any, any fee that must be paid by the renter as a condition of hiring or leasing a vehicle, such as, but not limited to, required fuel charges or any fee for transporting the renter to the location where the rented vehicle will be delivered to that person."

**SECTION 4.** G.S. 66-204(a) reads as rewritten:

"(a) In addition to the rental rate, taxes, airport charges and fees, if any, vehicle license and registration fees, if any, and mileage charge, if any, a rental car company may charge a renter for an item or service provided in connection with a particular rental transaction if the renter can avoid incurring that charge by choosing not to obtain or utilize the optional item or service. Items and services for which a rental car company may impose an additional charge include, but are not limited to: Optional insurance and accessories requested by the renter unless otherwise prohibited by law; service charges incident to a person's optional return of the vehicle to a location other than the location where the vehicle was hired or leased; optional collision damage waivers; and charges for refueling the vehicle at the conclusion of the rental transaction in the event the rented vehicle is not returned with as much fuel as was in its fuel tank at the beginning of the rental."

**SECTION 5.** This act is effective when it becomes law.  
In the General Assembly read three times and ratified this the 10<sup>th</sup> day of  
July, 2007.

s/ Beverly E. Perdue  
President of the Senate

s/ Joe Hackney  
Speaker of the House of Representatives

s/ Michael F. Easley  
Governor

Approved 11:58 a.m. this 18<sup>th</sup> day of July, 2007