

**SENATE BILL NO. 272**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY SENATOR HUGGINS

Introduced: 2/10/10

Referred: Transportation, Labor and Commerce

**A BILL**

**FOR AN ACT ENTITLED**

1    **"An Act relating to charges for rented motor vehicles, including cost recovery fees, and**  
2    **making a violation of the rented motor vehicle charge provisions an unfair trade**  
3    **practice."**

4    **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5        \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
6    to read:

7           LEGISLATIVE FINDING AND INTENT. The legislature finds that there are rental  
8    car agreements that include fees in addition to the rental rate and taxes. It is the intent of the  
9    legislature that car rental agreements separately identify and charge for these additional fees  
10   and the taxes in the rental car agreements.

11        \* **Sec. 2.** AS 45.45 is amended by adding new sections to read:

12                               **Article 7A. Car Rental Fees.**

13                       **Sec. 45.45.450. Identification of cost recovery fees.** If a rental car business  
14           charges a cost recovery fee, the rental car business shall separately identify and charge

1 for each cost recovery fee in writing in the rental car agreement. In this section, "cost  
2 recovery fee" means a vehicle licensing cost recovery fee, an airport-related cost, a  
3 government tax, or a government surcharge.

4 **Sec. 45.45.460. Vehicle licensing cost recovery fee.** (a) A rental car business  
5 may not charge a renter a vehicle licensing cost recovery fee unless the vehicle  
6 licensing cost recovery fee represents a good faith estimate by the rental car business  
7 of the average daily cost to the rental car business of recovering its actual total annual  
8 licensing costs in the state during a calendar year.

9 (b) If the total amount of the vehicle licensing cost recovery fees collected by  
10 a rental car business during a calendar year exceeds the actual amount of the car rental  
11 business's licensing costs during that calendar year, the car rental company shall

12 (1) retain the excess amount; and

13 (2) adjust the good faith estimate required by (a) of this section for the  
14 next calendar year so that the good faith estimate reflects the excess amount.

15 (c) In addition to the adjustment required by (b) of this section, a car rental  
16 business may adjust its vehicle licensing cost recovery fee during the calendar year  
17 when the excess vehicle licensing cost recovery fees are collected, if the vehicle  
18 licensing cost recovery fee otherwise complies with this section.

19 **Sec. 45.45.470. Definitions.** In AS 45.45.450 - 45.45.470,

20 (1) "car" means a motor vehicle;

21 (2) "licensing cost" means the cost of titling, registering, obtaining  
22 license plates for, or inspection of the rental cars of a rental car business in the state;

23 (3) "motor vehicle" has the meaning given in AS 28.90.990;

24 (4) "rental car business" means a person who engages in the business  
25 of renting cars in the state;

26 (5) "vehicle licensing cost recovery fee" means a fee to recover  
27 licensing costs.

28 \* **Sec. 3.** AS 45.50.471(b) is amended by adding a new paragraph to read:

29 (57) violating AS 45.45.450 - 45.45.470 (car rental fees).