



Telephone: (517) 373-5383 Fax: (517) 373-1986 TDD: (517) 373-0543

Senate Bill 1003 (as reported without amendment)

Sponsor: Senator Randy Richardville

Committee: Economic Development and Regulatory Reform

## **CONTENT**

The bill would amend the Michigan Consumer Protection Act to do all of the following:

- -- Require a car rental company to provide a consumer with an estimated total price for a vehicle rental and disclose any vehicle license cost recovery fee and any other mandatory fee.
- -- Provide that a vehicle license cost recovery fee would have to be based on the company's average per-vehicle portion of the cost to license, title, and register its vehicles.
- -- Require a car rental company to reduce vehicle license recovery fees in a year after its collected amount exceeded its actual licensing, titling, and registration costs.

"Vehicle license cost recovery fee" would mean a charge that may be included in a vehicle rental transaction originating in Michigan to recover costs incurred by a car rental company to license, title, and register rental vehicles. "Mandatory fee" would mean a fee, charge, or surcharge that a car rental company includes in every vehicle rental transaction. A fee, charge, or surcharge associated with optional products and services available for purchase by a consumer at the time of rental would not be a mandatory fee.

The Act states that unfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce are unlawful, and it lists activities that constitute these methods, acts, or practices. The bill would include a violation of its provisions in the list.

MCL 445.903 et al. Legislative Analyst: Patrick Affholter

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 3-13-08 Fiscal Analyst: Joe Carrasco