

Home

**Bill Information** 

California Law

**Publications** 

Other Resources

My Subscriptions

My Favorites

## AB-2620 Rental passenger vehicle transactions. (2017-2018)





Date Published: 09/11/2018 09:00 PM

# Assembly Bill No. 2620

### CHAPTER 344

An act to amend Section 1939.23 of, and to add Section 1939.22 to, the Civil Code, relating to rental passenger vehicle transactions.

[Approved by Governor September 11, 2018. Filed with Secretary of State September 11, 2018.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2620, Ting. Rental passenger vehicle transactions.

Existing law generally governs the transactions between a rental company, also referred to as a rental car company, and its customers, including, among other provisions, restrictions on a rental company's use of electronic surveillance technology. Existing law, as part of those restrictions, prohibits a rental company from using, accessing, or obtaining any information relating to the renter's use of the rental vehicle that was obtained using electronic surveillance technology, except under specified circumstances including that the rental vehicle has not been returned following one week after the contracted return date or extension of the return date.

This bill would require a rental company to send communications to a renter electronically if the renter agrees to that communication in the rental or lease agreement. The bill would prohibit a rental company from denying a rental or lease agreement if the renter chooses not to receive communications electronically. The bill would specify that "electronically" for those purposes does not include a cellular telephone.

The bill would, until January 1, 2024, additionally authorize electronic surveillance technology to be used by a rental company in circumstances in which the rental vehicle has not been returned within 72 hours after the contract return date or extension of the return date. The bill would require, subject to exceptions, that the rental company notify the renter, as specified, 24 hours in advance of activating the electronic surveillance technology, pursuant to the 72-hour activation provisions. The bill would require rental and lease agreements for rental passenger vehicles to advise the renter for these purposes that electronic surveillance technology may be activated if the rental vehicle is not returned within 72 hours after the contracted return date or extension of the return date. The bill would require a renter to acknowledge the advisement in the rental or lease agreement by initials and would also require an oral advisement to that effect, as specified.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

#### THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 1939.22 is added to the Civil Code, to read:

- **1939.22.** A rental company shall send communications to a renter electronically if the renter agrees to that communication in the rental or lease agreement. A rental company shall not deny a rental or lease agreement if the renter chooses not to receive communications electronically. For purposes of this section, "electronically" does not include a cellular telephone.
- SEC. 2. Section 1939.23 of the Civil Code is amended to read:
- **1939.23.** (a) A rental company shall not use, access, or obtain any information relating to the renter's use of the rental vehicle that was obtained using electronic surveillance technology, except in the following circumstances:
  - (1) (A) When the equipment is used by the rental company only for the purpose of locating a stolen, abandoned, or missing rental vehicle after one of the following:
    - (i) The renter or law enforcement has informed the rental company that the vehicle is missing or has been stolen or abandoned.
    - (ii) Until January 1, 2024, and for purposes of this clause, if the rental vehicle has not been returned following 72 hours after the contracted return date or by 72 hours following the end of an extension of that return date, the rental company may activate electronic surveillance technology. The rental company shall provide notice of activation of the electronic surveillance technology 24 hours prior to activation, by telephone and electronically pursuant to Section 1939.22, unless the renter has not provided a telephone number or the renter has not agreed to electronic communication pursuant to Section 1939.22. The rental or lease agreement shall advise the renter that electronic surveillance technology may be activated if the rental vehicle has not been returned within 72 hours after the contracted return date or extension of the return date. The renter shall acknowledge this advisement in the rental or lease agreement by initials. The advisement shall also be made orally to the renter at the time of executing the rental or lease agreement. The advisements are not required to be made to members of the rental company's membership program executing a rental or lease agreement; however, a renter shall be given those advisements upon enrolling in the rental company's membership program.
    - (iii) Notwithstanding clause (ii), if the rental vehicle has not been returned following one week after the contracted return date or by one week following the end of an extension of that return date.
    - (iv) The rental company discovers the rental vehicle has been stolen or abandoned, and, if stolen, the rental company shall report the vehicle stolen to law enforcement by filing a stolen vehicle report, unless law enforcement has already informed the rental company that the vehicle is missing or has been stolen or abandoned.
    - (v) The rental vehicle is the subject of an AMBER Alert issued pursuant to Section 8594 of the Government Code. If the rental company uses the equipment in connection with this provision relating to an AMBER Alert, the rental company shall notify law enforcement that one of the rental company's vehicles is the subject of an AMBER Alert upon becoming aware of the situation, unless law enforcement has already informed the rental company that the vehicle was the subject of an AMBER Alert.
    - (B) If electronic surveillance technology is activated pursuant to subparagraph (A), a rental company shall maintain a record, in either electronic or written form, of information relevant to the activation of that technology. That information shall include the rental agreement, including the return date, and the date and time the electronic surveillance technology was activated. The record shall also include, if relevant, a record of written or other communication with the renter, including communications regarding extensions of the rental, police reports, or other written communication with law enforcement officials. The record shall be maintained for a period of at least 12 months from the time the record is created and shall be made available upon the renter's request. The rental company shall maintain and furnish explanatory codes necessary to read the record. A rental company shall not be required to maintain a record if electronic surveillance technology is activated to recover a rental vehicle that is stolen or missing at a time other than during a rental period.
  - (2) In response to a specific request from law enforcement pursuant to a subpoena or search warrant.
- (b) Subdivision (a) does not prohibit a rental company from equipping rental vehicles with any of the following:
  - (1) GPS-based technology that provides navigation assistance to the occupants of the rental vehicle, if the rental company does not use, access, or obtain information relating to the renter's use of the rental vehicle that was obtained using that technology, except for the purposes of discovering or repairing a defect in the technology and the information may then be used only for that purpose.
  - (2) Electronic surveillance technology that allows for the remote locking or unlocking of the vehicle at the request of the renter, if the rental company does not use, access, or obtain information relating to the renter's use of the rental vehicle that was obtained using that technology, except as necessary to lock or unlock the vehicle.

- (3) Electronic surveillance technology that allows the company to provide roadside assistance, such as towing, flat tire, or fuel services, at the request of the renter, if the rental company does not use, access, or obtain information relating to the renter's use of the rental vehicle that was obtained using that technology except as necessary to provide the requested roadside assistance.
- (c) Subdivision (a) does not prohibit a rental company from obtaining, accessing, or using information from electronic surveillance technology for the sole purpose of determining the date and time the vehicle departs from and is returned to the rental company, and the total mileage driven and the vehicle fuel level of the returned vehicle. The information obtained or accessed from this electronic surveillance technology shall only be used for the purpose described in this subdivision.
- (d) A rental company shall not use electronic surveillance technology to track a renter in order to impose fines or surcharges relating to the renter's use of the rental vehicle.