

INTERNATIONAL CAR RENTAL SHOW

# Where the Car Rental Industry Connects

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CAR RENTAL SHOW

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Rental Industry  
Connects**



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# RENTAL CAR LAWS STILL MATTER EVEN AS THE INDUSTRY EVOLVES

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# Overview

- A. Rental Car Laws Matter
  - 1. Recent Litigation
  - 2. Other Mobility Platforms
- B. Overview of Selected Laws
  - 1. Federal
  - 2. State
- C. Challenges as the Industry Evolves
- D. Best Practices



# Privacy

- Smart Phone Data Cases
  - Recent Filings Against Rental Car Companies in California
  - Claims
  - Current Status



# Optional Products and Services

- *State of Florida v. Dollar Thrifty Automotive Group*, Florida Circuit Court
  - Claims
  - Settlement



# Disclosures

- Golden Gate Bridge Toll Charge Case
  - *City of San Francisco v. Hertz*, San Francisco Superior Court
  - Claims
  - Settlement



# Recovery of Damages

- *Spotswood v. Hertz Corporation, U.S. District Court, Maryland*
  - Claims
  - No Class Certification



# Disclosure of Fees

- *Schwartz v. Avis*, US District Court, New Jersey
  - Claims
  - Class Certification
  - Settlement



# Other Platforms

- Carsharing
- Subscriptions
- Peer to Peer



# Federal Laws

## A. Graves Amendment

1. Summary
2. Plaintiffs' Tactics

## B. Recall Act

1. Summary
2. Application to New Platforms



# The Graves Amendment

- No vicarious liability if:
  - Engaged in the business of renting or leasing motor vehicles, and
  - No negligence or criminal wrongdoing
- Litigation Tactics



# SAFE RENTAL CAR ACT OF 2015

- Summary of Act
- Application
- Other Platforms



# State Laws

- Applicability
  - Length of Rental Period
  - Type of Vehicle
- Typical Issues Covered
  - Licensing/Tax
  - Financial Responsibility
  - Consumer Protection



# State Laws

## A. Sale of Optional Products

1. Summary
2. Common Variations

## B. Recovery of Damages

1. Summary
2. Common Variations

## C. Use of GPS/Telematics

1. Vehicle Rental Laws
2. Other Laws?

## D. California Prop 65

<https://oehha.ca.gov/proposition-65/cnr/notice-proposed-rulemaking-title-27-california-code-regulations-adoption>



# Industry Evolution

- Tablet Based Transactions
  - Electronic Signatures
  - Challenges
  - Suggestions



# Industry Evolution

- Kiosks
- Remote Access to Vehicles
  - Challenges
  - Suggestions



# Best Practices

- Don't forget the core principles
  - Disclose, Disclose, Disclose
  - Informed Choices
  - No Surprises



# “Clear and Conspicuous” Guidelines

- Whether the statement is sufficiently prominent as to be readily noticeable and readily understandable;
- Whether the statement is expressed on its own instead of in the midst of other information;
- Whether the statement is expressed in plain and simple language;
- Whether the statement is in close proximity to any statement(s) that it purports to clarify, or to which it is logically related;
- Whether the statement is consistent with other statement(s) and is not confusing;
- Whether the statement is presented without distractions that compete for the attention of the consumer;
- Whether the statement is presented so as to omit any inconsistent information;
- Whether the statement is easily read by the consumer;
- Whether the statement is presented prior to the consumer incurring any financial obligation; and
- Whether, in the context of oral statements or representations, the language used is in a form and style commonly understood by reasonable consumers in the context of such oral statements or representations

*Source: Settlement Agreement Between Florida Attorney General and Dollar Thrifty Automotive Group (January 7, 2019)*



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# Best Practices

- Development of New Mobility Models
  - Consider applicability of vehicle rental laws



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