Article 28.

Rental Car Advertising and Sales Practices.

§ 66-200. Scope.

This Article applies to all persons renting vehicles from locations within this State. (1989, c. 631, s. 2, c. 770, s. 62.)

§ 66-201. Definitions.

As used in this Article:

(1) "Collision damage waiver" means any contract or contractual provision, whether separate from or a part of a rental agreement, whereby the rental car company agrees for a charge to waive any and all claims against the renter for any damages to the rented vehicle during the term of the rental agreement.

(2) "Damage" means any damage or loss to the rented vehicle, including loss of use and any costs and expenses incident to the damage or loss.

(3) "Person" includes an individual, aggregation of individuals, corporation, company, association, or partnership.

(4) "Rental agreement" means any written agreement setting forth the terms and the conditions governing the use of a vehicle provided by the rental car company.

(5) "Rental car company" means any person in the business of providing vehicles to the public.

(6) "Renter" means any person obtaining the use of a vehicle from a rental car company under the terms of a rental agreement.

(7) "Vehicle" means a motor vehicle of the private passenger type including passenger vans and minivans that are primarily intended for transport of persons.

(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. (1989, c. 631, s. 2; c. 770, s. 62; 2007-235, s. 1; 2024-30, s. 12(a).)

§ 66-201.1. Recovery of vehicle license and registration fees.

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. For purposes of this section, "rental vehicles" also includes motor vehicles of the cargo type, including a cargo van, pickup truck, or truck with a gross vehicle weight rating of 26,000 pounds or less used predominantly in the transportation of property for other than commercial freight and that does not require the operator to possess a commercial drivers license. (2024-30, s. 12(b).)

§ 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 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, 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. 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 airport charges or fees and vehicle license and registration fees on the rental agreement. (1989, c. 631, s. 2; c. 770, s. 62; 2001-432, s. 1; 2007-235, s. 2.)

§ 66-203. Prohibited charges.

(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.

(b) If a rental car company delivers a vehicle to a person at a location other than the location where the rental car company normally carries on its business, the rental car company

shall not charge that person any amount for the rental for the period before the delivery of the vehicle. If a rental car company picks up a rented vehicle from a person at a location other than the location where the rental car company normally carries on its business the rental car company shall not charge to the renter any amount for the rental for the period after the rented vehicle is available for pickup in accordance with the notification given to the rental car company to pick up the rented vehicle. (1989, c. 631, s. 2; c. 770, s. 62; 2001-432, s. 2; 2007-235, s. 3.)

§ 66-204. Permitted charges.

(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.

(b) A rental car company may also impose an additional charge based on reasonable driving experience criteria established by the rental car company. (1989, c. 631, s. 2; c. 770, s. 62; 2001-432, s. 3; 2007-235, s. 4.)

§ 66-205. Agent licenses required.

No employee or other representative of a rental car company shall solicit or sell any kind of insurance in connection with a rental agreement unless he is duly licensed under Article 33 of Chapter 58 of the General Statutes. (1989, c. 631, s. 2, c. 770, s. 62.)

§ 66-206. Effects of violations.

Any violation of the provisions of this Article constitutes an unfair trade practice under G.S. 75-1.1. (1989, c. 631, s. 2, c. 770, s. 62.)

§ 66-207. Rental car companies assist in publicizing law.

(a) A rental car company shall notify renters of the law requiring motorists to stop for and not pass stopped school buses that are properly marked and designated and that are receiving or discharging passengers. The Division of Motor Vehicles shall design a written notification in English, French, German, Japanese, and Spanish and the notification shall be no more than one side of a page. The Division of Motor Vehicles shall also develop a design for use on placards under subdivisions (b)(2) and (b)(3) of this section. The design may be used or adapted by the rental car company. The placards shall consist of the words "It is unlawful in North Carolina to pass a school bus that is stopped and receiving or discharging passengers.", or a visual symbol indicating passing a stopped school bus is unlawful in North Carolina, or both. The Division of Motor Vehicles shall publish the written notification and the design for placards on the internet and rental car companies shall obtain both by downloading and printing them from that source.

(b) The notification required under subsection (a) of this section may be made either:

(1) By handing each renter who presents an International Driver Permit with a copy of the written notification prepared by the Division of Motor Vehicles under subsection (a) of this section;

(2) If the rental car company operates airport shuttle buses to transport renters to pick up vehicles, by posting on each bus at least one placard containing a written notification or visual symbol, or both; or

(3) If the rental car company operates a counter at which renters pick up documentation, by posting on that counter or at a place easily visible from the counter at least one placard containing a written notification or visual symbol, or both.

Each placard that contains a written notification shall provide that information in all the languages listed in subsection (a) of this section.

(c) There shall be no civil or criminal liability in negligence nor shall an action under G.S. 66-206 apply for any car rental company that fails to provide the information or post the placard required by this section. (2001-331, s. 2; 2025-25, s. 29(3).)

§ 66-208. Reserved for future codification purposes.