

112TH CONGRESS
2D SESSION

S. 3706

To amend chapter 301 of title 49, United States Code, to prohibit the rental of motor vehicles that contain a defect related to motor vehicle safety, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 21, 2012

Mr. SCHUMER (for himself, Ms. MURKOWSKI, Mrs. BOXER, Mrs. McCASKILL, Mr. BLUMENTHAL, Mr. CASEY, Mrs. FEINSTEIN, and Mrs. GILLIBRAND) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To amend chapter 301 of title 49, United States Code, to prohibit the rental of motor vehicles that contain a defect related to motor vehicle safety, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Raechel and Jacqueline
5 Houck Safe Rental Car Act”.

1 **SEC. 2. DEFINITIONS.**

2 Section 30102(a) of title 49, United States Code, is
3 amended—

4 (1) by redesignating paragraphs (10) and (11)
5 as paragraphs (12) and (13), respectively;

6 (2) by redesignating paragraphs (1) through
7 (9) as paragraphs (2) through (10), respectively;

8 (3) by inserting before paragraph (2), as redes-
9 ignated, the following:

10 “(1) ‘covered rental vehicle’ means a motor ve-
11 hicle that—

12 “(A) has a gross vehicle weight rating of
13 10,000 pounds or less;

14 “(B) is rented without a driver for an ini-
15 tial term of less than 4 months; and

16 “(C) is part of a motor vehicle fleet of 5
17 or more motor vehicles that are used for rental
18 purposes by a rental company.”; and

19 (4) by inserting after paragraph (10), as redes-
20 ignated, the following:

21 “(11) ‘rental company’ means a person who—

22 “(A) is engaged in the business of renting
23 covered rental vehicles; and

24 “(B) uses for rental purposes a motor ve-
25 hicle fleet of 5 or more covered rental vehi-
26 cles.”.

1 **SEC. 3. REMEDIES FOR DEFECTS AND NONCOMPLIANCE.**

2 Section 30120(i) of title 49, United States Code, is
3 amended—

4 (1) in the subsection heading, by adding “, OR
5 RENTAL” at the end;

6 (2) in paragraph (1)—

7 (A) by striking “(1) If notification” and
8 inserting the following:

9 “(1) IN GENERAL.—If notification”;

10 (B) by indenting subparagraphs (A) and
11 (B) four ems from the left margin;

12 (C) by inserting “or the manufacturer has
13 provided to a rental company notification about
14 a covered rental vehicle in the company’s pos-
15 session at the time of notification” after “time
16 of notification”;

17 (D) by striking “the dealer may sell or
18 lease,” and inserting “the dealer or rental com-
19 pany may sell, lease, or rent”; and

20 (E) in subparagraph (A), by striking “sale
21 or lease” and inserting “sale, lease, or rental
22 agreement”;

23 (3) by amending paragraph (2) to read as fol-
24 lows:

25 “(2) RULE OF CONSTRUCTION.—Nothing in
26 this subsection may be construed to prohibit a dealer

or rental company from offering the vehicle or equipment for sale, lease, or rent.”; and

(4) by adding at the end the following:

“(3) SPECIFIC RULES FOR RENTAL COMPANIES.—

“(A) IN GENERAL.—Except as otherwise provided under this paragraph, a rental company shall comply with the limitations on sale, lease, or rental set forth in subparagraph (C) and paragraph (1) as soon as practicable, but not later than 24 hours after the earliest receipt of the notice to owner under subsection (b) or (c) of section 30118 (including the vehicle identification number for the covered vehicle) by the rental company, whether by electronic means or first class mail.

“(B) SPECIAL RULE FOR LARGE VEHICLE FLEETS.—Notwithstanding subparagraph (A), if a rental company receives a notice to owner covering more than 5,000 motor vehicles in its fleet, the rental company shall comply with the limitations on sale, lease, or rental set forth in subparagraph (C) and paragraph (1) as soon as practicable, but not later than 48 hours after the earliest receipt of the notice to owner under

1 subsection (b) or (c) of section 30018 (includ-
2 ing the vehicle identification number for the
3 covered vehicle) by the rental company, whether
4 by electronic means or first class mail.

5 “(C) SPECIAL RULE FOR WHEN REMEDIES
6 NOT IMMEDIATELY AVAILABLE.—If a notifica-
7 tion required under subsection (b) or (c) of sec-
8 tion 30118 indicates that the remedy for the
9 defect or noncompliance is not immediately
10 available and specifies actions to temporarily
11 alter the vehicle that eliminate the safety risk
12 posed by the defect or noncompliance, the rent-
13 al company, after causing the specified actions
14 to be performed, may rent (but may not sell or
15 lease) the motor vehicle. Once the remedy for
16 the rental vehicle becomes available to the rent-
17 al company, the rental company may not rent
18 the vehicle until the vehicle has been remedied,
19 as provided in subsection (a).

20 “(D) INAPPLICABILITY TO JUNK AUTO-
21 MOBILES.—Notwithstanding paragraph (1), this
22 subsection does not prohibit a rental company
23 from selling a covered rental vehicle if such ve-
24 hicle—

1 “(i) meets the definition of a junk
2 automobile under section 201 of the Anti-
3 Car Theft Act of 1992 (49 U.S.C. 30501);

4 “(ii) is retitled as a junk automobile
5 pursuant to applicable State law; and

6 “(iii) is reported to the National
7 Motor Vehicle Information System, if re-
8 quired under section 204 of such Act (49
9 U.S.C. 30504).”.

10 **SEC. 4. MAKING SAFETY DEVICES AND ELEMENTS INOPER-**
11 **ATIVE.**

12 Section 30122(b) of title 49, United States Code, is
13 amended by inserting “rental company,” after “dealer,”
14 each place such term appears.

15 **SEC. 5. INSPECTIONS, INVESTIGATIONS, AND RECORDS.**

16 Section 30166 of title 49, United States Code, is
17 amended—

18 (1) in subsection (c)(2), by striking “or dealer”
19 each place such term appears and inserting “dealer,
20 or rental company”;

21 (2) in subsection (e), by striking “or dealer”
22 each place such term appears and inserting “dealer,
23 or rental company”; and

24 (3) in subsection (f), by striking “or to owners”
25 and inserting “, rental companies, or other owners”.

1 **SEC. 6. RESEARCH AUTHORITY.**

2 The Secretary of Transportation may conduct a
3 study of—

4 (1) the effectiveness of the amendments made
5 by this Act; and

6 (2) other activities of rental companies (as de-
7 fined in section 30102(a)(11) of title 49, United
8 States Code) related to their use and disposition of
9 motor vehicles that are the subject of a notification
10 required under section 30118 of title 49, United
11 States Code.

12 **SEC. 7. STUDY.**

13 (a) **ADDITIONAL REQUIREMENT.**—Subsection (b)(2)
14 of section 32206 of the Moving Ahead for Progress in the
15 21st Century Act (Public Law 112–141; 126 Stat. 785)
16 is amended—

17 (1) in subparagraph (E), by striking “and” at
18 the end;

19 (2) by redesignating subparagraph (F) as sub-
20 paragraph (G); and

21 (3) by inserting after subparagraph (E) the fol-
22 lowing:

23 “(F) evaluate the completion of safety re-
24 call remedies on rental trucks; and”.

25 (b) **REPORT.**—Subsection (c) of such section is
26 amended—

1 (1) by redesignating paragraphs (1) and (2) as
 2 subparagraphs (A) and (B), respectively, and indent-
 3 ing such subparagraphs, as so redesignated, an addi-
 4 tional two ems from the left margin;

5 (2) by striking “REPORT.—Not later” and in-
 6 serting the following:

7 “(c) REPORTS.—

8 “(1) INITIAL REPORT.—Not later”;

9 (3) in paragraph (1), by striking “subsection
 10 (b)” and inserting “subparagraphs (A) through (E)
 11 and (G) of subsection (b)(2)”; and

12 (4) by adding at the end the following:

13 “(2) SAFETY RECALL REMEDY REPORT.—Not
 14 later than 1 year after the date of the enactment of
 15 the ‘Raechel and Jacqueline Houck Safe Rental Car
 16 Act’, the Secretary shall submit a report to the con-
 17 gressional committees set forth in paragraph (1)
 18 that contains—

19 “(A) the findings of the study conducted
 20 pursuant to subsection (b)(2)(F); and

21 “(B) any recommendations for legislation
 22 that the Secretary determines to be appro-
 23 priate.”.

1 **SEC. 8. PUBLIC COMMENTS.**

2 The Secretary of Transportation shall solicit com-
3 ments regarding the implementation of this Act from
4 members of the public, including rental companies, con-
5 sumer organizations, automobile manufacturers, and auto-
6 mobile dealers.

7 **SEC. 9. RULEMAKING.**

8 The Secretary of Transportation may promulgate
9 rules, as appropriate, to implement this Act and the
10 amendments made by this Act.

11 **SEC. 10. EFFECTIVE DATE.**

12 The amendments made by this Act shall take effect
13 on the date that is 180 days after the date of the enact-
14 ment of this Act.

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