

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0675.01 Jerry Barry x4341

HOUSE BILL 14-1187

HOUSE SPONSORSHIP

Swalm, Gardner, Waller, Pettersen, McLachlan, Vigil

SENATE SPONSORSHIP

Todd,

House Committees

Business, Labor, Economic, & Workforce Development

Senate Committees

A BILL FOR AN ACT

101 CONCERNING CONSUMER PROTECTION FROM EXCESS DAMAGES FOR
102 REPAIR OF RENTAL VEHICLES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills summaries>.)

The bill limits the damages that a vehicle rental company can recover from an authorized driver to amounts reasonably related to the loss incurred by the rental company.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 13-21-128 as
3 follows:

4 **13-21-128. Civil damages related to rental motor vehicles.** ANY
5 CLAIM RESULTING FROM DAMAGE TO OR LOSS OF A RENTAL MOTOR
6 VEHICLE, AS DEFINED IN SECTION 6-1-201, C.R.S., MUST BE REASONABLY
7 AND RATIONALLY RELATED TO THE ACTUAL LOSS INCURRED. A RENTAL
8 COMPANY SHALL MITIGATE DAMAGES WHERE POSSIBLE AND SHALL NOT
9 ASSERT OR COLLECT ANY CLAIM FOR PHYSICAL DAMAGE THAT EXCEEDS
10 THE LESSER OF THE ACTUAL COST OF THE REPAIR, INCLUDING ALL
11 DISCOUNTS OR PRICE REDUCTIONS, OR THE ACTUAL CASH VALUE OF THE
12 VEHICLE IMMEDIATELY BEFORE THE LOSS, LESS ANY PROCEEDS FROM THE
13 VEHICLE'S DISPOSAL AFTER THE LOSS. A RENTAL COMPANY'S
14 ADMINISTRATIVE FEE IS LIMITED TO THE REASONABLE ADMINISTRATIVE
15 COSTS, NOT TO EXCEED ONE HUNDRED DOLLARS, ASSOCIATED WITH
16 PROCESSING THE DAMAGE CLAIM. A CLAIM MADE FOR LOSS OF USE MAY
17 NOT EXCEED THE DAILY RENTAL RATE STATED IN THE RENTAL
18 AGREEMENT, EXCLUDING OPTIONAL CHARGES, MULTIPLIED BY THE
19 NUMBER OF HOURS ESTIMATED TO REPAIR THE VEHICLE, DIVIDED BY
20 EIGHT. A RENTAL COMPANY SHALL NOT MAKE A CLAIM FOR LOSS OF USE
21 IF THE RENTAL MOTOR VEHICLE IS NOT REPAIRED.

22 **SECTION 2. Act subject to petition - effective date -**
23 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
24 the expiration of the ninety-day period after final adjournment of the
25 general assembly (August 6, 2014, if adjournment sine die is on May 7,
26 2014); except that, if a referendum petition is filed pursuant to section 1
27 (3) of article V of the state constitution against this act or an item, section,

1 or part of this act within such period, then the act, item, section, or part
2 will not take effect unless approved by the people at the general election
3 to be held in November 2014 and, in such case, will take effect on the
4 date of the official declaration of the vote thereon by the governor.

5 (2) This act applies to causes of action accruing on or after the
6 applicable effective date of this act.