

By: Harris

S.B. No. 359

A BILL TO BE ENTITLED

AN ACT

relating to notice regarding rental car damage waivers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (b), Section 3, Article 9026c, Revised Statutes, is amended to read as follows:

(b) In addition to the notice provided to each renter who purchases a damage waiver, a rental company shall post in a conspicuous location where the waiver is being offered the following notice:

Notice to Texas Residents Regarding Damage Waivers

Your personal automobile insurance policy may or may not provide coverage for your responsibility for the loss of or damage to a rented vehicle during the rental term. Before deciding whether to purchase a damage waiver, you may wish to determine whether your automobile insurance policy provides you coverage for rental vehicle damage or loss. [~~The Texas personal automobile insurance policy provides coverage with NO DEDUCTIBLE for the legal liabilities of the policyholder in connection with the loss of or damage to a rented vehicle, except for damages caused intentionally, up to the maximum of the property damage limits under your liability coverage.~~] If you file a claim under your personal automobile insurance

1 policy, your insurance company may choose to nonrenew
2 your policy at your renewal date, but may do so only if
3 you are at fault for the claim.

4 SECTION 2. The change in law made by this Act applies only
5 to a rental agreement entered into on or after the effective date of
6 this Act. A rental agreement entered into before the effective date
7 of this Act is governed by the law in effect when the rental
8 agreement was entered into, and the former law is continued in
9 effect for that purpose.

10 SECTION 3. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2005.