

By: Lujan

H.B. No. 1395

Substitute the following for H.B. No. 1395:

By: Button

C.S.H.B. No. 1395

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the regulation of private passenger vehicle rental
3 companies.

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

5 SECTION 1. Sections 91.001(6) and (7), Business & Commerce
6 Code, are amended to read as follows:

7 (6) "Rental agreement" means an agreement for 180 [30]
8 days or less that states the terms governing the use of a private
9 passenger vehicle rented by a rental company.

10 (7) "Rental company" means a person in the business of
11 renting private passenger vehicles to the public for 180 [30] days
12 or less. The term does not include a person who holds a license
13 under Chapter 2301, Occupations Code, and whose primary business
14 activity is not renting private passenger vehicles.

15 SECTION 2. Subchapter B, Chapter 91, Business & Commerce
16 Code, is amended by adding Section 91.057 to read as follows:

17 Sec. 91.057. REFUND OF DAMAGE WAIVER CHARGE. A rental
18 company shall issue to a renter a refund of any damage waiver
19 charges charged or collected for a period that exceeds the number of
20 calendar days a damage waiver is in effect if:

21 (1) the renter returns a rented motor vehicle before
22 the anticipated return date; or

23 (2) the damage waiver is not in effect for the entire
24 period of the rental agreement because the renter cancels the

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1 damage waiver before the anticipated return date, and the rental
2 company confirms that the rented motor vehicle was not damaged
3 before the damage waiver's cancellation.

4 SECTION 3. The changes in law made by this Act apply only to
5 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 on the date the contract
8 was entered into, and the former law is continued in effect for that
9 purpose.

10 SECTION 4. This Act takes effect September 1, 2025.