

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

AN ACT

relating to the regulation of private passenger vehicle rental companies.

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

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

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

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

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

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

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

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

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.