

118TH CONGRESS
1ST SESSION

H. R. 3695

To protect consumers from overbooking by rental car companies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2023

Mr. ROBERT GARCIA of California (for himself, Ms. NORTON, Mr. TRONE, Mr. CLEAVER, Ms. BUDZINSKI, and Mr. JOHNSON of Georgia) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To protect consumers from overbooking by rental car companies, 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 “Vehicle Rental Order
5 Obligation Mandate Act” or the “VROOM Act”.

6 **SEC. 2. PROTECTION FROM OVERBOOKING BY RENTAL CAR**
7 **COMPANIES.**

8 (a) PROTECTION FROM OVERBOOKING.—A rental car
9 company that fails to honor a reservation of a consumer

1 shall offer the consumer, and allow the consumer to choose
2 from between, each of the following:

3 (1) If such a vehicle is available, fulfillment of
4 the reservation, at no additional cost to the con-
5 sumer, through a covered rental vehicle of a class
6 that is more expensive to rent than the vehicle ini-
7 tially reserved.

8 (2) If such a vehicle is available, both—

9 (A) fulfillment of the reservation through a
10 covered rental vehicle of a class that is less ex-
11 pensive to rent than the vehicle initially re-
12 served; and

13 (B) an amount equal to the difference in
14 price between—

15 (i) the reservation as initially re-
16 served; and

17 (ii) the reservation as fulfilled pursu-
18 ant to subparagraph (A), as determined by
19 using the lesser of—

20 (I) the lowest available price of
21 such reservation as fulfilled had such
22 reservation as fulfilled been made on
23 the date on which the initial reserva-
24 tion described in clause (i) was made;
25 or

1 (II) the lowest available price of
2 such reservation as fulfilled had such
3 reservation as fulfilled been made on
4 the date of fulfillment.

5 (3) An amount equal to 200 percent of the total
6 rental price of the reservation of the consumer, ex-
7 cept that in no case may the amount exceed \$500
8 per day of the reservation.

9 (b) REGULATIONS.—The Commission may promul-
10 gate, under section 553 of title 5, United States Code,
11 regulations to implement this section.

12 (c) ENFORCEMENT BY COMMISSION.—

13 (1) UNFAIR OR DECEPTIVE ACTS OR PRAC-
14 TICES.—A violation of this section or a regulation
15 promulgated under this section shall be treated as a
16 violation of a regulation under section 18(a)(1)(B)
17 of the Federal Trade Commission Act (15 U.S.C.
18 57a(a)(1)(B)) regarding unfair or deceptive acts or
19 practices.

20 (2) POWERS OF COMMISSION.—The Commis-
21 sion shall enforce this section and the regulations
22 promulgated under this section in the same manner,
23 by the same means, and with the same jurisdiction,
24 powers, and duties as though all applicable terms
25 and provisions of the Federal Trade Commission Act

1 (15 U.S.C. 41 et seq.) were incorporated into and
2 made a part of this Act. Any person who violates
3 this section or a regulation promulgated under this
4 section shall be subject to the penalties and entitled
5 to the privileges and immunities provided in the
6 Federal Trade Commission Act.

7 (3) EFFECT ON OTHER LAWS.—Nothing in this
8 Act may be construed to limit the authority of the
9 Commission under any other provision of law.

10 (d) ACTIONS BY STATES.—

11 (1) IN GENERAL.—In any case in which the at-
12 torney general of a State, or an official or agency of
13 a State, has reason to believe that an interest of the
14 residents of such State has been or is threatened or
15 adversely affected by an act or practice in violation
16 of this section or a regulation promulgated under
17 this section, the State, as *parens patriae*, may bring
18 a civil action on behalf of the residents of the State
19 in an appropriate district court of the United States
20 to—

21 (A) enjoin such act or practice;

22 (B) enforce compliance with such section
23 or regulation;

1 (C) obtain damages, restitution, or other
2 compensation on behalf of residents of the
3 State; or

4 (D) obtain such other legal and equitable
5 relief as the court may consider to be appro-
6 priate.

7 (2) NOTICE.—Before filing an action under this
8 subsection, the attorney general, official, or agency
9 of the State involved shall provide to the Commis-
10 sion a written notice of such action and a copy of
11 the complaint for such action. If the attorney gen-
12 eral, official, or agency determines that it is not fea-
13 sible to provide the notice described in this para-
14 graph before the filing of the action, the attorney
15 general, official, or agency shall provide written no-
16 tice of the action and a copy of the complaint to the
17 Commission immediately upon the filing of the ac-
18 tion.

19 (3) AUTHORITY OF COMMISSION.—

20 (A) IN GENERAL.—On receiving notice
21 under paragraph (2) of an action under this
22 subsection, the Commission shall have the
23 right—

24 (i) to intervene in the action;

- 1 (ii) upon so intervening, to be heard
2 on all matters arising therein; and
3 (iii) to file petitions for appeal.

4 (B) LIMITATION ON STATE ACTION WHILE
5 FEDERAL ACTION IS PENDING.—If the Commis-
6 sion or the Attorney General of the United
7 States has instituted a civil action for violation
8 of this section or a regulation promulgated
9 under this section (referred to in this subpara-
10 graph as the “Federal action”), no State attor-
11 ney general, official, or agency may bring an ac-
12 tion under this subsection during the pendency
13 of the Federal action against any defendant
14 named in the complaint in the Federal action
15 for any violation of such section or regulation
16 alleged in such complaint.

17 (4) RULE OF CONSTRUCTION.—For purposes of
18 bringing a civil action under this subsection, nothing
19 in this Act shall be construed to prevent an attorney
20 general, official, or agency of a State from exercising
21 the powers conferred on the attorney general, offi-
22 cial, or agency by the laws of such State to conduct
23 investigations, administer oaths and affirmations, or
24 compel the attendance of witnesses or the production
25 of documentary and other evidence.

1 (e) PRIVATE RIGHT OF ACTION.—A person injured
2 by an act or practice in violation of this section or a regu-
3 lation promulgated under this section may bring in an ap-
4 propriate district court of the United States—

5 (1) an action to enjoin the violation;

6 (2) an action to recover damages for actual
7 monetary loss from the violation, or to receive up to
8 \$1500 in damages for each such violation, whichever
9 is greater; or

10 (3) both such actions.

11 (f) DEFINITIONS.—In this section:

12 (1) COMMISSION.—The term “Commission”
13 means the Federal Trade Commission.

14 (2) COVERED RENTAL VEHICLE.—The term
15 “covered rental vehicle” means a motor vehicle
16 that—

17 (A) has a gross vehicle weight rating of
18 10,000 pounds or less;

19 (B) is rented to a consumer for a term of
20 less than 4 months;

21 (C) is rented without a driver provided as
22 part of the rental; and

23 (D) is part of a motor vehicle fleet of 35
24 or more motor vehicles that are used for rental
25 purposes by a rental company.

1 (3) FAILS TO HONOR A RESERVATION.—The
2 term “fails to honor a reservation” means, with re-
3 spect to a rental car company, that the company
4 does not provide a consumer, who has a confirmed
5 reservation for a covered rental vehicle (without re-
6 gard to whether the reservation was paid for in ad-
7 vance), a vehicle of the class reserved by the con-
8 sumer at the time for fulfillment associated with the
9 reservation.

10 (4) MOTOR VEHICLE.—The term “motor vehi-
11 cle” means a vehicle driven or drawn by mechanical
12 power and manufactured primarily for use on public
13 streets, roads, and highways, but does not include a
14 vehicle operated only on a rail line.

15 (5) RENTAL CAR COMPANY.—The term “rental
16 car company” means a person who—

17 (A) is engaged in the business of renting
18 covered rental vehicles; and

19 (B) uses for rental purposes a motor vehi-
20 cle fleet of 35 or more covered rental vehicles,
21 on average, during the calendar year.

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