



Reprinted  
February 28, 2018

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## ENGROSSED HOUSE BILL No. 1060

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DIGEST OF HB 1060 (Updated February 27, 2018 3:17 pm - DI 97)

**Citations Affected:** IC 24-4.

**Synopsis:** Liability for rental car theft. Removes from the list of provisions that may be included in a motor vehicle rental agreement a rebuttable presumption that a motor vehicle renter is not liable, in certain circumstances, for losses incurred by the rental company related to theft of the motor vehicle. Requires a damage waiver to cover all damage, loss, and liability, less any included deductible, to which a rental company and renter may otherwise agree concerning the renter's responsibility.

**Effective:** July 1, 2018.

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### Mahan, Lehman, Porter

(SENATE SPONSORS — RUCKELSHAUS, HOLDMAN, TAYLOR G,  
RANDOLPH LONNIE M)

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January 3, 2018, read first time and referred to Committee on Judiciary.  
January 8, 2018, reassigned to Committee on Insurance.  
January 25, 2018, amended, reported — Do Pass.  
January 29, 2018, read second time, ordered engrossed. Engrossed.  
January 30, 2018, read third time, passed. Yeas 93, nays 0.

SENATE ACTION

February 1, 2018, read first time and referred to Committee on Civil Law.  
February 19, 2018, reported favorably — Do Pass.  
February 27, 2018, read second time, amended, ordered engrossed. Returned to second reading.

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EH 1060—LS 6048/DI 97





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Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1060

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A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 24-4-9-2, AS AMENDED BY P.L.19-2005,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2018]: Sec. 2. As used in this chapter, "damage waiver" or  
4 "waiver" means any contract or contract provision, whether separate  
5 from or a part of a rental agreement, under which a rental company  
6 agrees to waive ~~any~~ or all claims against the renter for any physical or  
7 mechanical damage **or other loss or liability**, as ~~defined~~ **described** in  
8 section 13 of this chapter, to **or in connection with** the rented vehicle  
9 during the term of the rental agreement.

10 SECTION 2. IC 24-4-9-13, AS AMENDED BY P.L.126-2015,  
11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JULY 1, 2018]: Sec. 13. A rental company and renter may agree that  
13 the renter will be responsible for no more than all of the following:

- 14 (1) Physical damage to the rented vehicle up to its fair market  
15 value regardless of the cause of damage.  
16 (2) Mechanical damage to the rental vehicle, up to and including  
17 the rental vehicle's fair market value, resulting from:

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- 1 (A) a collision;  
 2 (B) an impact; or  
 3 (C) another incident that is caused by the renter's or authorized  
 4 driver's deliberate act.
- 5 (3) Loss due to theft of the rental vehicle up to its fair market  
 6 value. However, the renter shall be presumed to have no liability  
 7 for any loss due to theft if the renter or authorized driver:  
 8 (A) has possession of the ignition key furnished by the rental  
 9 company or establishes that the ignition key furnished by the  
 10 rental company was not in the vehicle at the time of the theft;  
 11 and  
 12 (B) files an official report of the theft with the police or other  
 13 law enforcement agency within twenty-four (24) hours of  
 14 learning of the theft and reasonably cooperates with the rental  
 15 company, police, and other law enforcement agency in  
 16 providing information concerning the theft.
- 17 The presumption set forth in this subdivision is a presumption  
 18 affecting the burden of proof, which the rental company may  
 19 rebut by establishing that a renter or other authorized driver  
 20 committed or aided and abetted in the commission of the theft.
- 21 (4) Physical damage to the rented vehicle up to its fair market  
 22 value resulting from vandalism occurring after, or in connection  
 23 with, the theft of the rented vehicle. However, the renter is  
 24 presumed to have no liability for any loss due to vandalism if the  
 25 renter or authorized driver:  
 26 (A) has possession of the ignition key furnished by the rental  
 27 company or establishes that the ignition key furnished by the  
 28 rental company was not in the vehicle at the time of the  
 29 vandalism; and  
 30 (B) files an official report of the vandalism with the police or  
 31 other law enforcement agency within twenty-four (24) hours  
 32 of learning of the vandalism and reasonably cooperates with  
 33 the rental company, police, and other law enforcement agency  
 34 in providing information concerning the vandalism.
- 35 The presumption set forth in this subdivision is a presumption  
 36 affecting the burden of proof, which the rental company may  
 37 rebut by establishing that a renter or other authorized driver  
 38 committed or aided and abetted in the commission of the  
 39 vandalism.
- 40 (5) Physical damage to the rented vehicle and loss of use of the  
 41 rented vehicle up to its fair market value resulting from vandalism  
 42 unrelated to the theft of the rented vehicle.



- 1           (6) Loss of use of the rented vehicle, if the renter is liable for
- 2           damage.
- 3           (7) Actual charges for towing, storage, and impoundment fees
- 4           paid by the rental company, if the renter is liable for damage.
- 5           (8) Reasonable attorney's fees related to the enforcement of the
- 6           rental agreement.
- 7           (9) An administrative charge.
- 8           (10) The cost of appraisal and all other costs and expenses
- 9           incident to the damage, loss, loss of use, repair, or replacement of
- 10          the rented vehicle.
- 11          **However, a damage waiver sold by the rental company must cover**
- 12          **all damage, loss, and liability described in this section, less any**
- 13          **deductible included in the waiver.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred House Bill 1060, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 24-4-9-2, AS AMENDED BY P.L.19-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 2. As used in this chapter, "damage waiver" or "waiver" means any contract or contract provision, whether separate from or a part of a rental agreement, under which a rental company agrees to waive ~~any or~~ all claims against the renter for any physical or mechanical damage **or other loss or liability**, as ~~defined~~ **described** in section 13 of this chapter, to **or in connection with** the rented vehicle during the term of the rental agreement."

Page 3, after line 1, begin a new line blocked left and insert:  
**"However, a damage waiver sold by the rental company must cover all damage, loss, and liability described in this section."**

Renumber all SECTIONS consecutively.  
 and when so amended that said bill do pass.

(Reference is to HB 1060 as introduced.)

CARBAUGH

Committee Vote: yeas 12, nays 0.

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 COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred House Bill No. 1060, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to HB 1060 as printed January 26, 2018.)

HEAD, Chairperson

Committee Vote: Yeas 7, Nays 1

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SENATE MOTION

Madam President: I move that Engrossed House Bill 1060 be amended to read as follows:

Page 3, line 12, delete "section." and insert "**section, less any deductible included in the waiver.**".

(Reference is to EHB 1060 as printed February 20, 2018.)

ZAY

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SENATE MOTION

Madam President: I move that Engrossed House Bill 1060, which is eligible for third reading, be returned to second reading for purposes of amendment.

RUCKELSHAUS

