

**516D.3 Definitions.**

As used in [this chapter](#), unless the context requires otherwise:

1. “*Authorized driver*” means any of the following:
  - a. A customer to whom a vehicle is rented.
  - b. A person expressly listed by a rental company on a rental agreement as an authorized driver.
  - c. A customer’s spouse, if the spouse is a licensed driver and satisfies the rental company’s minimum age requirement.
  - d. A customer’s employer or coworker, if the employer or coworker is engaged in a business activity with the customer to whom the vehicle is rented, is a licensed driver, and satisfies the rental company’s minimum age requirement.
2. “*Collision damage waiver*” means a contract or contractual provision, whether separate from or a part of a rental agreement, whereby the rental company agrees, for a charge, to waive claims against an authorized driver for all, or any portion of, damages to the rental vehicle, loss due to theft of the rental vehicle, or damages resulting from the loss of use of the rental vehicle.
3. “*Customer*” means a person entering into a rental agreement and obtaining the use of a rental vehicle from a rental company under the terms of the rental agreement.
4. “*Estimated time for repair*” means a good faith estimate of the reasonable number of hours of labor, or fraction of an hour, needed to repair a damaged vehicle or damaged vehicle parts.
5. “*Estimated time for replacement*” means the number of hours of labor, or fraction of an hour, needed to replace damaged vehicle parts as set forth in collision damage estimating guides generally used in the vehicle repair business and commonly known as crash books.
6. “*Mandatory charge*” means any charge, fee differential, or surcharge that all or a majority of customers must pay in order to obtain or operate a rental vehicle except as follows:
  - a. “*Mandatory charge*” does not include an airport-imposed fee or a vehicle license recovery fee if the existence and amount of the fee are clearly and conspicuously disclosed immediately adjacent to any advertised rental price. The customer must be informed of the amount of the fee when the reservation is made. When an advertisement encompasses more than one rental location, the fee may be expressed as the maximum fee or range of fees.
  - b. “*Mandatory charge*” does not include taxes imposed directly upon the rental transaction by an authorized taxing authority.
  - c. “*Mandatory charge*” does not include mileage fees as long as the existence of any mileage limitation and cost per mile for excess mileage is clearly and conspicuously disclosed immediately adjacent to the advertised price.
7. “*Material restriction*” means a restriction, limitation, or other requirement which significantly affects the price of, normal anticipated use of, or a customer’s financial responsibility for, a rental vehicle. Restrictions against any or all of the following activities in connection with the acquisition or use of a rental vehicle are not material restrictions:
  - a. Obtaining a rental vehicle by use of false or misleading information.
  - b. Operating a rental vehicle while intoxicated or under the influence of any drug.
  - c. Using a rental vehicle to transport persons or property for hire.
  - d. Using a rental vehicle to engage in a race, training activity, contest, or use for an illegal purpose.
  - e. Using a rental vehicle to push or tow a vehicle or other object.
  - f. Operating a rental vehicle in an abusive or reckless manner.
  - g. Operating a rental vehicle other than on regularly maintained hard surface roadways, including private driveways and parking lots. For purposes of [this chapter](#), “*hard surface roadways*” includes, but is not limited to, all regularly maintained gravel-covered surfaces.
  - h. Operating a rental vehicle outside the continental United States unless specifically authorized by the rental agreement.
8. “*Placing a block*” means any procedure or mechanism which reserves a specified amount of the customer’s otherwise available credit on the customer’s credit or charge card account so that the amount is not available for future credit purchases.

9. “*Rental agreement*” means a written contract containing the terms and conditions for the use of a rental vehicle by a customer for a term of sixty days or less.

10. “*Rental company*” means a person in the business of providing rental vehicles to customers.

11. “*Rental vehicle*” means a private passenger type vehicle which, upon the execution of a rental agreement, is made available to a customer for the customer’s use or other authorized driver’s use.

12. “*Vehicle license recovery fee*” means a charge that may be separately stated and charged on a vehicle rental transaction originating in this state to recover fees paid to this state by a rental company to license, title, register, and plate rental vehicles.

[91 Acts, ch 204, §3](#); [92 Acts, ch 1163, §101](#); [2002 Acts, ch 1151, §29](#); [2015 Acts, ch 102, §1, 2](#)  
Referred to in [§321.484](#)