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Finance Committee

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## THE SENATE OF MARYLAND Annapolis, Maryland 21401

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SB 705

State Airports - Commercial Activity - Rental Vehicles and Peer to Peer Car Sharing

Chairman Kelley, Vice Chair Feldman and members of the Committee;

Thank you for the opportunity to present SB705, State Airports – Commercial Activity – Rental Vehicles and Peer to Peer Car Sharing. SB705 requires that companies in the business of renting cars – whether they are a rental car company or a peer-to-peer car sharing platform – operate under the same set of rules at BWI Thurgood Marshall Airport.

In 2017, this committee created a statutory framework for Peer-to-Peer car sharing companies. That framework, which included insurance and various consumer protections, is nearly identical to the requirements set forth for traditional rental car companies. And, because Peer-to-Peer operators had ignored several cease-and-desist requests from MAA, this committee tried to make it clear in that legislation, that Peer-to-Peer companies conducting operations at BWI had to first enter into a concession contract.

Unfortunately, it is apparent, we were not clear enough. Because in the years since, Peer-to-Peer companies are still conducting operations at the airport without a concession agreement. In fact, I raised this very issue on the floor last year when P2P companies were asking this state to continue granting them preferential sales tax treatment.

Today, incumbent rental car companies operating at BWI are required to charge customers concession, facility, and transportation fees. Operationally, customers are required to take a shuttle bus from the airport terminal to the consolidated rental car facility – in an effort to keep rental activity away from the terminal. Yet, for years Peer-to-Peer operators have conducted commercial activity at BWI without charging the consumer any airport fees and have simultaneously utilized the terminal or on-site parking garage to conduct their activities.

This unfair advantage undercuts existing operators who employ hundreds of folks in my district and also results in lost revenue to the State.

SB705 helps ensure businesses competing for the same customers are competing on equal footing. Ultimately, we should not be in the business of picking winners and losers within the same industry.

For these reasons, I ask for a favorable report on SB705. Thank you for your consideration.