

## TESTIMONY BY ENTERPRISE HOLDINGS, INC.

## OPPOSE HB230

“Traffic Control Signal Monitoring Systems – Exclusion of Vehicle Rental Companies – Repeal and Notification Requirement”

Enterprise Holdings, Inc (EHI) is a family-owned and operated business with 80,000 employees companywide, operating in 100 countries. Enterprise, Alamo and National car rental brands hire more college students each year than any other employer in the US. In Maryland alone, Enterprise has more than 150 retail locations and two corporate offices in Linthicum and Rockville with nearly 2,000 employees statewide. On behalf of Enterprise Holdings, we ask this committee to **oppose H230**.

Notably, rental car companies opposed the repeal of the speed monitoring exemption in bills introduced over the last six sessions dating back to HB562. Those bills never made it out of this Committee and the same principles for why we oppose the legislation apply today with respect to HB230 this session.

Any vehicle monitoring program in place on Maryland roadways without a rental company exclusion will place a financial burden on the Maryland rental businesses – both large and small – that are **not at fault**. **For practical reasons, programs that do not exempt rental companies do not fully achieve the goal of promoting safety but rather, generate revenue at the expense of rental businesses.**

By way of background, due to the exceptional volume of cars and trucks rented daily there are a high number of corresponding citations issued across all jurisdictions in the United States. EHI consolidates these citations in Tulsa, OK. **With 11,000 citations received daily, EHI does not have the capability to parse out citations based on the laws of any given jurisdiction.** Therefore, every single citation (speed, tolls, red light, parking, etc.) is paid by EHI – at which point EHI seeks reimbursement from the renter when possible.

Yet, for rental companies to recapture the fine money from the at-fault renter, EHI must attempt to charge the customer weeks – if not months – after the vehicle has been returned. And, because it takes time for the State, county, or municipality to issue the violations it will take time for the rental companies to process them and seek reimbursement. **For several reasons (e.g., returned deposit, card no longer on file, card declined, unreachable customer), EHI is only able to recover from the at-fault renter 60% of the time. Subsequently, EHI is bearing the cost associated with 40% of all citations. Meaning an estimated 40% of all speed camera monitoring citations will do nothing to enhance public safety and instead punish a business that bears zero fault.**

Notably, EHI also rents to those who do not have or leave a credit card as deposit on insurance replacement third party billing rentals (most companies won't without a credit card), which means they have no means of collecting when the ticket is issued (after the car is returned). Underwriting a rental with no deposit is a huge benefit to Marylanders, but a scenario where EHI will take a hit on most charges, like tickets, that are realized after the rental is returned.

While we appreciate the sponsor's intent in a previous session when crafting transfer of liability language for school bus camera monitoring citations (the same language set forth in HB383), for the reasons stated above EHI is unable to practically effectuate the well-intended provision. **Ultimately, amending transfer of liability provisions into monitoring programs does not alleviate the financial and administrative burden to act as the long-arm of the State nor does it address the substantial cost of overhauling our internal IT capabilities to address citations on a case-by-case basis.** These concerns remain the foundation of our opposition.

**Therefore, on behalf of EHI, we oppose HB230 and respectfully request an unfavorable report.**

For more information contact: John DeRose, Enterprise (Rockville) – 301.212.7457 or Brad Rifkin, RWL – 410.269.5066