



March 5, 2026

The Honorable Marc A. Korman
Chair, House Environment and Transportation Committee
Room 251, House Office Building
Annapolis, Maryland 21401

The Honorable Michele J. Guyton
Vice-Chair, House Environment and Transportation Committee
Room 251, House Office Building
Annapolis, Maryland 21401

RE: Written Testimony – HB 1408 (Motor Vehicles – Automated Traffic Enforcement Systems – Impoundment); Position: Unfavorable

Dear Chair Korman, Vice-Chair Guyton, and Members of the Committee:

On behalf of the American Car Rental Association (ACRA)¹, I appreciate the opportunity to provide written testimony. Speed cameras and other automated enforcement tools are intended to promote safety and hold individual drivers accountable for their actions on the road. However, HB 1408—which authorizes the impoundment of vehicles with three or more unpaid and overdue citations—introduces significant logistical and legal complications, particularly for rental car fleet owners who are not the parties responsible for the underlying violations. For this reason, ACRA opposes HB 1408.

Misplaced Liability and Lack of Due Process

The core issue with HB 1408 is that it targets the vehicle itself rather than the individual driver who committed the infractions. For rental car companies, the vehicle is a business asset being operated by a third-party customer. Impounding a vehicle for the actions of a transient driver unfairly penalizes the fleet owner, who has no control over the driver's behavior and often has no immediate knowledge that a citation has been issued until long after the rental period has ended.

Administrative and Logistical Barriers

The current automated enforcement notification process is often delayed. By the time a rental company receives notice of multiple unpaid citations, the vehicle may have been through several different renters. Impounding these vehicles—especially when they are parked—leaves rental companies in the position of losing an asset due to a customer's delinquency. Furthermore, the

¹ ACRA is the national trade association representing the U.S. car rental industry, including major brands like Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Sixt, and Thrifty as well as independent, regional, and franchise operators. Its members collectively manage more than 2.2 million vehicles nationwide, with fleets ranging from 10 to 1 million cars, and employ over 100,000 workers across nearly every county, including many in Maryland.

30-day "overdue" window is often too short for rental companies to process the citation, identify the driver, and ensure the state is notified of the responsible party.

Interference with Fleet Operations

Under this legislation, a vehicle could be impounded while legally parked or as a secondary action during a stop. For a rental fleet, this results in significant recovery costs, lost revenue, and administrative burdens to clear citations that the company did not earn. This policy shifts the state's enforcement burden onto private businesses rather than focusing on the person behind the wheel.

While we support the goal of ensuring traffic citations are paid, impoundment is an overly broad and punitive measure when applied to fleet-owned vehicles. We urge the Committee to exempt rental car fleets from the impoundment provisions to ensure that enforcement remains focused on the operator. If this cannot be done, we urge the committee to issue an unfavorable report on HB 1408, as this will significantly impair rental car operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Lefevé", with a stylized flourish extending to the right.

Don Lefevé
President & CEO