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April 21, 2015

The Honorable Mike Gatto  
Chairman  
Committee on Privacy and Consumer Protection  
California Assembly  
The State Capital  
Room 3152  
Sacramento, CA 94249-0043

**Re: American Car Rental Association Opposition to AB 287 – Vehicle Safety –  
Recalls**

Dear Mr. Chairman:

The American Car Rental Association (ACRA) respectfully submits these comments in opposition to AB 287 – motor vehicle safety recall legislation introduced by Assemblymember Gordon that is scheduled for a hearing before the Assembly Committee on Privacy and Consumer Protection today.

ACRA is the national representative for over 98% of our nation’s car rental industry, including virtually the entire California car rental industry. ACRA's membership is comprised of over 300 car rental companies -- including all of the nationwide brands you would recognize such as Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National and Thrifty – and includes dozens of California-based independent car rental companies and system franchisees. ACRA members have over two million registered vehicles in service, with fleets ranging in size from one million cars to ten cars.

ACRA opposes AB 287, and the amendments proposed in the Committee’s Bill Analysis, for the following reasons:

- Motor vehicle safety recalls are regulated under a federal statute and administered by a federal agency, the National Highway Traffic Safety Administration (NHTSA), inside the U.S. Department of Transportation. ACRA supports a comprehensive and consistent national standard for safety recalls administered by NHTSA and posits that a patchwork of state vehicle safety recall laws may, in fact, reduce, rather than enhance, the safety of our members’ customers and the protection of vehicle owners, passengers and pedestrians in general.
- ACRA continues to work with a coalition of interest groups, including many consumer advocacy groups, to pass federal rental car safety recall legislation that



requires car rental companies to “ground” rental vehicles subject to federal safety recalls within 24 hours of the receipt of official notice of the recall from the vehicle manufacturer. This federal legislation requires that rental companies keep those recalled vehicles grounded until repairs are made. ACRA also supports federal legislation that prohibits a car rental company from selling – in either the wholesale or retail markets – a vehicle from a company’s rental fleet that has an unaddressed safety recall.

- AB 287, and the amendments proposed in the Committee’s Bill Analysis, is less protective of consumers than the voluntary car rental industry standards currently endorsed by ACRA. Our industry will not support proposed legislation – federal or state -- that falls short, in terms of consumer protection, of the standards ACRA’s members have voluntary undertaken.

ACRA respectfully suggests that the Committee defer action on AB 287, or any proposed amendments to the bill, until a representative of the expert federal agency – NHTSA – can be invited to appear before the Committee to answer authoritatively the questions of Committee members on improvements that should be made to state and federal motor vehicle safety recall procedures and statutes.

If you, members of the Committee, or committee staff have questions about ACRA’s position on AB 287 or on the federal rental car safety legislation that ACRA has endorsed, please do not hesitate to contact me.

Thank you for considering ACRA’s views on this important legislation.

Sincerely yours,

A handwritten signature in black ink that reads "sharonfaulkner". The signature is written in a cursive, lowercase style.

Sharon Faulkner  
Executive Director