ST. LOUIS (July 23, 2019) – Enterprise Holdings – which owns the Enterprise Rent-A-Car, National Car Rental and Alamo Rent A Car brands – is pleased to support Ohio’s new car rental modernization law that was recently enacted on behalf of all taxpayers and consumers.

House Majority Leader Bill Seitz and Senate Finance Committee Chair Matt Dolan spearheaded the transparent legislative process with a key stakeholder group comprised of the Ohio Department of Taxation, the Ohio Insurance Institute (OII), all major airports, and the U.S. car rental industry, including peer-to-peer companies.

**Consistent Standards & Regulations**

HB 166, which was signed into law by Ohio Governor Mike DeWine last week, not only defines consumer requirements (addressing insurance, pricing disclosures and safety recalls), but also confirms that peer-to-peer providers are categorized as “vendors” for tax purposes. This unambiguously takes the onus of collecting or remitting taxes off individuals renting their vehicles on peer-to-peer platforms – dispelling a myth often perpetuated by peer-to-peer companies about the double-taxation of vehicle owners.

“My objective in working through this issue was two-fold,” said Rep. Seitz. “To establish clear standards for insurance coverage in these three-party transactions, and to ensure all peer-to-peer platforms that receive the end customer’s money are paying applicable state taxes as the facilitating vendor.”

The new law also provides a step toward compliance with 1989 National Association of Attorneys General (NAAG) regulations requiring fair, honest and uniform consumer pricing and advertising standards in the car rental industry.

In addition, HB 166 authorizes Ohio airports to regulate peer-to-peer rental programs in a similar manner to other car rental operations. To that end, the Columbus Regional Airport Authority sent a letter in support of the legislation for protecting airports “authority to individually determine reasonable standards, regulations, etc. for peer-to-peer car sharing companies...”

In total, at least 19 U.S airports have issued cease-and-desist orders concerning peer-to-peer operations. Plus, legal action has been taken in conjunction with several airports across the country, including Tampa International Airport, Los Angeles International Airport, Massport (Logan International Airport) and San Francisco International Airport.
Parity & Fairness

“This effort is all about parity and fairness, in Ohio and every other state. It just doesn’t make sense for one section of this industry to benefit from loopholes and special carve-outs,” said Ray Wagner, Enterprise Holdings’ Senior Vice President of Government and Public Affairs. “Enterprise welcomes each and every competitor into the industry because, at the end of the day, we’re all in the business of renting vehicles – whether it’s for an hour, a day, a week or longer.”

Wagner noted that states already have well-established regulations governing car rental taxes and fees – not to mention consumer protections around disclosures and sale of ancillary products: “Just like in Ohio, all peer-to-peer operators nationwide should be required to comply with longstanding and state-specific regulations that govern car rental transactions.”

For example, almost 10 years ago, a Queens, N.Y., Supreme Court Justice reviewed a car-sharing lawsuit and found: “This bargain – use of a car in exchange for a fee – appears little different from ‘traditional rental car’ companies, notwithstanding … statements that contrast it with those companies. The Court finds that [the defendant] is in ‘the trade or business of renting or leasing motor vehicles’ as those words are traditionally and plainly understood.”

Other states holding peer-to-peer programs publicly accountable include Colorado, Maine, Maryland and neighboring Indiana. Moreover, highly diverse coalitions in Arizona, California, Florida, Texas and Illinois have been established to address peer-to-peer rental issues. Participants range from the Associated Industries of Florida and American Car Rental Association members like Enterprise and Hertz, to the Illinois and Texas Municipal Leagues. Numerous regional and local agencies – for instance, the Houston Sports Authority, Arizona Tourism & Lodging Association and the Cactus League – likewise have been weighing in on the issue of lost tax streams.

Although many peer-to-peer companies cultivate an image as disruptors, increasingly there are a number of well-established companies entering the peer-to-peer rental business. “Overall, these are very sophisticated, well-funded and tech-savvy companies,” Wagner stressed. “It’s no wonder that, as peer-to-peer car rental companies continue to amass greater wealth, they no longer can avoid the attention of state regulators.”

Turo, in particular, has an impressive list of investors. “Ironically, only last week a $250-million investment in Turo was announced,” he pointed out. “Meanwhile, they have historically and consistently marketed themselves as car rental. One is left to ask ... how can you tell customers it is a better way to rent cars and, at the same time, tell elected officials that it is not renting cars?”

Technology & Innovation

Making customer service a constant focal point has positioned Enterprise Holdings as a long-term industry leader in mobility and technology. As a result, the company has spent more than $3 billion making strategic acquisitions – as well as corporate-venture capital investments or commitments – in the U.S., Canada, the U.K., France, Ireland, Spain, Brazil and China since 2007. Investments are primarily centered on mobility, travel technology, fleet management and logistics, customer experience, and both autonomous and electric vehicle (EV) technologies.

In fact, the company has a long history of promoting innovation and MaaS (Mobility as a Service) options while maintaining fair and consistent marketplace rules for all. “Frankly, we have never cared what peer-to-peer providers call themselves,” Wagner stated. “But no company should ever feel entitled to self-proclaim their own special exemptions, subsidies and tax breaks in communities where they operate. That’s why we hope this new law can be used as a guiding example of peer-to-peer legislation for many other states.”
About Enterprise Holdings

Enterprise Holdings, Inc., manages the largest and most diverse privately-owned fleet in the world through an integrated network of more than 10,000 fully staffed neighborhood and airport rental locations. This global network of independent regional subsidiaries and franchises also operates the Enterprise Rent-A-Car brand – as well as the National Car Rental and Alamo Rent A Car brands – in 100 countries and territories. Combined, Enterprise Holdings and its affiliate Enterprise Fleet Management, which currently manage more than 2 million vehicles and employ 100,000 worldwide, accounted for $24.1 billion in revenue in fiscal year 2018. In total, the annual revenues of Enterprise Holdings and Enterprise Fleet Management rank near the top of the global travel industry, ahead of many airlines and most cruise lines, hotels, tour operators and online travel agencies. Enterprise Holdings currently is ranked as one of America’s Largest Private Companies and if it were publicly traded, would rank on Fortune’s list of the 500 largest American public companies.

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