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December 21, 2018

VIA FEDERAL EXPRESS

The Honorable Ronald D. Kouchi
Senate President
Hawaii State Capitol
415 South Beretania Street, Room 409
Honolulu, HI 96813

The Honorable Scott K. Saiki
Speaker of the House
Hawaii State Capitol
415 South Beretania Street, Room 431
Honolulu, HI 96813

Legislative Reference Bureau
Hawaii State Capitol
415 South Beretania Street, Room 005
Honolulu, HI 96813

Re: Motor Vehicle Industry Report on Vehicle License Recovery Fees

Dear President Kouchi and Speaker Saiki:

On behalf of the American Car Rental Association ("ACRA")¹, I respectfully submit this letter pursuant to 2017 HB 735, Section 4, which provides:

No later than twenty days prior to the convening of the regular session of 2019, the motor vehicle rental industry shall report to the legislature on the effect of this Act on the average vehicle license recovery fee charged to each customer on each motor vehicle rental and the average time in service of each motor vehicle rental.

To comply with the reporting requirement in Section 4, ACRA requested the following information (on a confidential basis) from our members with operations in Hawaii: average vehicle license recovery fees charged by the company in Hawaii during the time periods August 1, 2016 through July 2017 and August 1, 2017 through July 2018, along with the average length of rental during the same time periods.

¹ ACRA is the national representative for over 98% of our nation's car rental industry. ACRA's membership is comprised of over 300 car rental companies, including all of the brands you would recognize such as Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National and Thrifty. ACRA members also include many system licensees and franchisees, mid-size, regional and independent car rental companies as well as smaller, "mom & pop" operators. ACRA members have over 2.1 million registered vehicles in service, with fleets ranging in size from one million cars to ten cars.



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We have received complete information from ACRA members representing 10 brands that accounted for approximately 95 percent of cars in service in the United States in 2018.² We aggregated the data received to preserve its confidentiality and calculated the overall average, which is presented in the following table:

August 1, 2016 – July 31, 2017		August 1, 2017 – July 31, 2018	
Average VLF Charged to Customers	Average Length of Rental	Average VLF Charged to Customers	Average Length of Rental
\$0.69 per day	5.49	\$0.91 per day	5.58

If you have questions about this information, please contact me at 888-200-2795 or sfaulkner@acraorg.com.

Sincerely,

Sharon Faulkner
Executive Director

PK147903

²See *Auto Rental News Fact Book 2019* at 6 (available at <http://digital.autorentalnews.com/#&pageSet=0&contentItem=0>)