



September 3, 2020

**Chicago City Council, Committee on Finance
Public Hearing on R-2020-473**

Statement by Greg Scott, Government Relations Representative

American Car Rental Association

Good Morning Mr. Chairman and Members of the Committee. My name is Greg Scott, government relations representative for the American Car Rental Association. The American Car Rental Association (“ACRA”) is the national representative for over 98% of our nation’s car rental industry, including all of the national brands we all recognize and hundreds of local and independent operators, including many in the Chicagoland area.

ACRA stands in strong support of Alderman Villegas and the City of Chicago Committee on Finance addressing the public safety issue of predatory towing. The Committee on Finance and the City Council can fix this public safety issue. You can accomplish this goal through a strong licensing oversight structure along with stiff penalties that place Chicagoans and those that use the roads of Chicago in a safe position.

This important public safety issue is two-fold. Half of the individuals renting cars in the Chicagoland area are Chicago residents. Unfortunately, these Chicago

residents are victimized while in a vulnerable accident or disabled vehicle situation and unsafe situations are used by these predatory towers for return of the rental vehicle. The other half of vehicle rentals in Chicago are individuals from out of town who are here for business or leisure vacation. These drivers also are victimized the same way by the predatory towers, which tarnishes the reputation of the City of Chicago for business and tourism.

Specific to the car rental industry, ACRA members and our customers have been repeated victims of predatory towing practices here in Chicago. A frequent scenario finds our customer returning to the spot at which he or she parked a rental vehicle on a public street -- only to find the vehicle missing. After tracking the missing vehicle to a towing company, an ACRA member is told by the towing company that Chicago Police -- or an insurance company -- sent them to tow the vehicle. However, the towing company has no written evidence to back up their statements. The ACRA member is told that it will be several thousand dollars in cash -- sometimes in foreign currency! -- to secure the release of the car.

In many instances, to retrieve the car an ACRA member is directed to come to a remote site -- not an impound lot or legitimate place of business -- to get the keys to the vehicle and to be told where the vehicle can be located. These remote sites can include vacant lots and the rendezvous is scheduled during the late evening

or early morning hours. Such arrangements – vacant lots in remote areas in the dead of night with large amounts of cash – represent a clear and substantial safety risk to our renters and our employees.

Clearly, this is a shakedown by predatory towing companies that this Council has the ability and the duty to stop. An Ordinance addressing this public safety issue would make Chicago streets safer.

On behalf of the Chicago rental car industry and the Chicagoans and visitors that use our vehicles, we are sincerely grateful of your consideration of this important public safety issue.