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February 16, 2018

Representative James A. Dunnigan, Chair
Utah House Business and Labor Standing Committee
P.O. Box 145030
Salt Lake City, UT 84114-5030

Dear Chairman Dunnigan:

On behalf of the ACRA membership in the State of Utah, please accept this letter as strong support for **House Bill 429**. We would appreciate the favorable consideration of this legislation and respectfully ask that the committee move it forward. HB 429 is quite simple. It ensures free and fair competition among those providing similar services.

Our industry certainly recognizes and supports technology advances that continue to meet consumer demand and that allow new entrants into the marketplace. More competition is good for consumers and is good for our industry. But, it must be fair competition. Mobile and digital technology has led to new companies that allow private individuals to rent vehicles from other private. This private vehicle rental program facilitates commercial rental transactions, just as our members do. In addition, they offer consumers the same ancillary products common to all car rental providers, such as roadside assistance, damage waiver and optional insurance products. These companies are without a doubt in the car rental business and the law should treat them as such. Therefore, the state's taxing regime that applies to our industry should apply to them as well. HB 429 accomplishes that goal.

The private rental providers that facilitate commercial rental transactions boldly advertise that consumers may rent less expensively through their program than through "traditional" car rental companies. There is clearly one reason why that is the case. These companies are currently avoiding any state and local taxes. Our customers would realize such savings as well if our members were permitted to avoid paying any taxes.

Our industry thrives on competition. We welcome new innovations into the marketplace. It is critical, however, that government policies take into account the underlying service being provided and ensure that there is consistency as to how the law is applied to all competitors providing that service. Again, HB 429 takes an important step in that direction.

ACRA appreciates your consideration of this legislation and looks forward to working with the committee to move it forward.

Should you or of the committee members have any questions, please feel free to contact me at (888) 200-2795 or at sfaulkner@acraorg.com.

Sincerely,

A handwritten signature in black ink that reads "sharonfaulkner".

Sharon Faulkner
Executive Director
Cc: Members of the House Committee on Revenue & Taxation