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April 6, 2022

The Honorable Lina Khan Chair Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, D.C. 20580

Dear Chair Khan,

I write to express my serious alarm over reports suggesting that Hertz has, for years, wrongly reported customers to law enforcement for vehicle theft. It appears that Hertz's practices have resulted in the false arrests of numerous customers through no fault of their own. Accordingly, I urge you to open an investigation into Hertz's inaccurate and potentially unfair practice of reporting its vehicles as stolen and take appropriate enforcement action to ensure Hertz's consumers are not falsely arrested or otherwise harmed.

Investigative reporting and court filings have revealed that Hertz, each year for the last four years, has filed more than 3,000 stolen vehicle reports with law enforcement—many of which ultimately turned out to be inaccurate—that resulted in numerous false arrests of its customers. But customers have not just been arrested. In some cases, customers have been detained at gunpoint, prosecuted, and even incarcerated. 1 It is inexcusable and reprehensible that Hertz's business practices have unnecessarily forced so many of its customers into the criminal justice system.

An arrest can have life-changing consequences. Hertz customers have lost their jobs, homes, and reputations. Clearly, Hertz's inaccurate reporting of its vehicles as stolen represents a substantial injury to consumers that is not reasonably avoidable. It is hard to imagine any countervailing benefits to Hertz that justify its misguided and egregious decision not to amend or correct its reports once it learns they are inaccurate. Failing to issue these corrections may implicate refunds that need to be paid to customers charged late fees; to insurance companies that paid out claims for vehicles reported as stolen; or require time and company resources to update Hertz's policies and procedures. In light of these concerns, I urge you to swiftly open an investigation into Hertz's inaccurate reports of its customers to law enforcement for vehicle theft.

¹ Anna Werner, "Senators Call for Investigations into Hertz Following CBS News Reports of Hundreds of Customers Allegedly Being Falsely Arrested," CBS News, March 31, 2022; Katie Wedell and Laura Layden, "Renting from Hertz Could Mean an Arrest Warrant," USA Today, March 2, 2022, USA Today, March 2, 2022, https://www.usatoday.com/story/money/2022/03/02/rental-car-hertz-warrant-arrest/9330894002/.

Thank you for your attention to this important matter. I look forward to your response.

Sincerely,

Richard Blumenthal United States Senate

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