RICHARD BLUMENTHAL CONNECTICUT AGING ARMED SERVICES COMMERCE, SCIENCE, AND TRANSPORTATION JUDICIARY VETERANS' AFFAIRS

## United States Senate

WASHINGTON, DC 20510

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March 31, 2022

Mr. Stephen Scherr Chief Executive Officer Hertz Global Holdings, Inc. 8501 Williams Road Estero, Florida 33928

Dear Mr. Scherr,

I write to express serious alarm over reports suggesting that Hertz has, for years, wrongly reported customers to law enforcement for vehicle theft. It appears that Hertz's abysmal record-keeping has resulted in its customers, through no fault of their own, being arrested on the basis of inaccurate stolen vehicle reports. This is all the more concerning because arrests—even false ones—have life-changing and long-lasting consequences. To that end, I demand information about the policies and procedures Hertz has in place related to stolen vehicle reports and that Hertz to take immediate steps to provide redress to customers who have suffered the profound and enduring harm of a false arrest.

Each year, for the last four years, Hertz has filed more than 3,000 stolen vehicle reports with law enforcement. Many of those reports ultimately turned out to be inaccurate, resulting in false arrests of Hertz customers.<sup>1</sup> But customers have not just been arrested. In some cases, customers have been detained at gunpoint, prosecuted, and even incarcerated.<sup>2</sup> Even if, as Hertz continues to contend, that some of the 3,000-plus reports it files each year are legitimate, one inaccurate report that leads to one false arrest is one too many. These false arrests are all the more concerning in light of reporting that Hertz has seemingly been unwilling to amend or withdraw its inaccurate stolen vehicle reports when presented with evidence that a vehicle has not, in fact, been stolen.<sup>3</sup>

Investigative reporting and court filings have both revealed that this is a practice staggering in magnitude and devastating in impact. That Hertz's business practices have

https://www.cbsnews.com/news/judge-rules-hertz-theft-complaints-against-customers-public/?intcid=CNM-00-10abd1h. <sup>2</sup> CBS Mornings, "Claims are Mounting Against Hertz from Customers Who Say They Were Wrongfully Arrested for Rental Car Theft," reported by Anna Werner, aired December 9, 2021, on CBS, <u>https://www.cbsnews.com/video/claimsare-mounting-against-hertz-from-customers-who-say-they-were-wrongfully-arrested-for-rental-car-theft/?intcid=CNM-00-10abd1h#x; Katie Wedell and Laura Layden, "Renting from Hertz Could Mean an Arrest Warrant," USA Today, March 2, 2022, <u>https://www.usatoday.com/story/money/2022/03/02/rental-car-hertz-warrant-arrest/9330894002/?gnt-cfr=1.</u></u>

<sup>&</sup>lt;sup>1</sup> CBS Mornings, "Hertz Files Thousands of Car Theft Complaints Against Customers Every Year. A Judge Ruled they have to Make that Data Public," reported by Anna Werner, aired February 10, 2022, on CBS,

<sup>&</sup>lt;sup>3</sup> Wedell and Layden, "Renting from Hertz."

unnecessarily involved so many of its customers with the criminal justice system is inexcusable and unacceptable. Involvement in the criminal justice system comes with and at great cost: the cost to defend oneself in criminal court and the cost to seek recourse from Hertz. It has also cost individuals their jobs, homes, and reputations.<sup>4</sup> Hertz must swiftly correct course and ensure that its customers are not ensnared in legal battles and the criminal justice system due to its reckless recordkeeping practices and careless company policies.

For these reasons, I write to demand Hertz address these grievous shortcomings that have had real and serious consequences for its customers. I also ask that Hertz provide written answers to the following questions by no later than April 14, 2022:

- 1. Please describe the circumstances under which Hertz determines that a vehicle has been stolen by conversion. In addition
  - a. Please describe how Hertz makes that determination.
  - b. Please describe whether Hertz takes any steps to confirm the accuracy of that determination, including cross-checking its internal systems to review relevant customer records and communications, verifying payment information on file for customers, and attempting to contact customers.
- 2. Please describe the process by and policy under which Hertz reports to or otherwise notifies law enforcement that a vehicle has been stolen by conversion, including when Hertz reports to or otherwise notifies law enforcement of the alleged theft.
- 3. Please describe the process by and policy under which Hertz will seek to amend or withdraw the reports discussed in Question 2, including the circumstances under which Hertz will do so. If Hertz does not have such a process or policy, please explain why not.
- 4. Please explain whether, on the date on which this letter was received, Hertz files reports to or otherwise notifies law enforcement that a vehicle has been stolen by conversion. If so, what was the date of the most recent report or notification to law enforcement?
- 5. Please provide to me a copy of the records Hertz maintains related to the number of reports discussed in Questions 2 and 4. In addition, please describe how often Hertz makes these reports or otherwise notifies law enforcement.

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

Sincerely,

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Richard Blumenthal United States Senate

<sup>4</sup> Ibid.