

October 13, 2022

The Honorable Stephanie Pollack
Acting Administrator
Federal Highway Administration
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Re: Comments of American Car Rental Association to FHWA NPRM on National Performance Management Measures; Assessing Performance of the National Highway System; Greenhouse Gas Emissions Measure -- Docket No. FHWA-2021-0004

Dear Acting Administrator Pollack:

The American Car Rental Association (ACRA) respectfully submits these responses to the Federal Highway Administration's (FHWA) Notice of Proposed Rulemaking (NPRM) on National Performance Management Measures; Assessing Performance of the National Highway System; Greenhouse Gas Emissions Measure (87 Fed. Reg. 42,401 (July 15, 2022)). ACRA members have a strong interest all federal regulation with respect to emissions from mobile sources and as a result submit these comments on the FHWA's Mobile Source GHG NPRM.

The American Car Rental Association

The American Car Rental Association 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, Fox, Hertz, National, Sixt 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 1.7 million registered

vehicles in service in the United States, with fleets ranging in size from one million cars to ten cars.

The Role of the Car Rental Industry in Achieving Sustainable Mobility

ACRA members over the past 10 years on average purchased one in every ten new light duty vehicles sold in the United States each year (10 percent), although that number dropped to approximately 5 percent in 2021 due to supply chain constraints reducing the number of new vehicles available to all buyers and reduced consumer demand during the first part of the year). Approximately 25% of all light duty vehicle miles travelled in the United States each year are in a rented vehicle.

Thus, the car rental industry can be a key participant in the drive for sustainable mobility and reduced mobile source greenhouse gas (GHG) emissions. In many instances, a driver's first experience in a zero emissions vehicle will be in the rental car context. Combining all these factors, the car rental industry likely is the most important shared mobility stakeholder for converting "motor vehicle trips" by an individual to "zero emission vehicle trips" – even more important than individually-owned vehicles.

ACRA's Views FHWA's Mobile Source GHG NPRM

ACRA's comments on FHWA's NPRM are summarized as follows:

- It is very unlikely that FHWA's direct efforts to regulate GHG emissions from mobile sources, absent specific congressional statutory authorization, will withstand an inevitable legal challenge to a final rule on the legal standard for federal regulation of greenhouse gases (GHGs) recently established by the U.S. Supreme Court in *West Virginia v. Environmental Protection Agency*, 597 U.S. ____ 2022; No. 20-1530 (June 30, 2022).
- Consequently, ACRA respectfully urges FHWA to abandon the current NPRM and focus instead on cooperative initiatives with

industries with significant mobile source fleets, such as the car rental industry, to incentivize reduced GHG emissions from mobile sources.

- It is difficult, if not impossible, for any business – let alone businesses as inherently tied to mobile sources as the car rental industry – to make long-term plans for sustainable mobility and reduced mobile source GHG emissions when the direction, mandates and policies promoted by the federal government in general and FHWA in particular, change every three to four years.
- During the Obama Administration, a GHG performance standard for mobile sources was established by FHWA; that standard was repealed during the Trump Administration; now FHWA has again reconsidered its statutory authority and is proposing an even more aggressive GHG mobile source control regulation.
- ACRA supports FHWA's goal of establishing reliable measurements and inventories of GHG emissions from mobile sources.
- However, ACRA cannot support FHWA's proposal to mandate, rather than incentivize, decreased GHG emissions from mobile sources, particularly when it is based on tenuous – perhaps even creative – statutory interpretation of FHWA's authority to regulate GHG emissions from mobile sources.
- Again, ACRA actively invites FHWA to work with ACRA's members and other owners of large mobile source fleets on a cooperative and efficient transition to sustainable mobility that eschew mandate based on questionable statutory authority and focus on cooperation and incentivization of this important transition toward sustainable mobility.

ACRA appreciates the opportunity to submit its views to FHWA on these important policy matters. If additional information would be helpful to FHWA or if ACRA's comments raise questions or require

clarification, please contact Gregory M. Scott, ACRA's Government Relations Representative, at gscott@merevir.com or 202-297-5123.

Sincerely yours,



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