

October 28, 2016

The Honorable Edith Ramirez
Chairwoman
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580

Dear Chairwoman Ramirez:

I write to express concern over “convenience” fees currently being charged by rental car companies for the use of toll paying technology, which can often exceed 500 percent of the toll itself. I request that the Federal Trade Commission launch an inquiry into this problem, and determine whether rental car companies using these fee structures are unnecessarily price gouging consumers and engaging in unfair and deceptive business practices.

Rental car contracts set forth the terms and conditions for the use of a rented car, including toll fees. However, business travelers and tourists often do not know whether they will encounter a toll road when they are at the rental counter – especially New Mexicans who do not confront toll roads at home. Even worse, the fees for electronic toll technology may not be adequately disclosed at time of contracting. These exorbitant fees are also increasingly being levied on unsuspecting consumers whose navigation aids automatically guide them onto toll roads that only accept license plate reading payments, preventing them from being able to pay the toll in person.

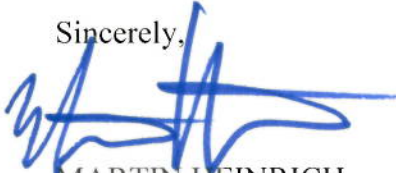
In the cases of plate reading technology, cameras at the toll station automatically record when a vehicle passes through the station and charge the account associated with the license plate. Rental car companies then forward the charge for the toll to the unaware renter, with extremely high fees attached for the “convenience” of using the only toll-paying option available.

The Washington Post recently reported that more drivers are encountering high fees for using toll paying technology instead of paying – or even being able to pay tolls – with cash. It is unreasonable to be charged a “convenience” fee that would exceed the cost of the toll, but many consumers are being charged far more in convenience fees than they are incurring in actual tolls – often without any knowledge that these extra fees may be applied.

I request that FTC investigate the extent of the use of these fees across the industry, and report on measures that the industry can take to make sure that these fees are reasonably priced, adequately disclosed and understood by consumers before renting a car. If car rental companies are found to be in violation of federal law, I urge the FTC to initiate legal proceedings to bring such practices to a halt.

I appreciate your attention to this matter, and I look forward to working with you to ensure that consumers are able to make wise economic decisions with the best information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Heinrich', is written over the word 'Sincerely,'.

MARTIN HEINRICH
United States Senator