March 26, 2019 ITEM 14.E.1

INDIAN RIVER COUNTY BOARD OF COUNTY COMMISSIONERS

INTER-OFFICE MEMORANDUM

TO:	Members of the Board of County Commissioners
DATE:	March 21, 2019
SUBJECT:	Regulatory and tax fairness as it relates to the car rental and peer-to-peer car sharing industries
FROM:	Tim Zorc Commissioner, District 3

Discussion Item:

I'd like to discuss regulatory and tax fairness as it relates to the car rental and peer-to-peer car sharing industries.

I would ask that the Clerk of Court monitor this emerging tax issue just as he monitors short-term rentals.

Coalition Advocates for Regulatory & Tax Fairness within Car Rental & Peer-to-Peer Car-Sharing Industries

March 19, 2019

TALLAHASSEE, Fla.--(BUSINESS WIRE)--Mar 19, 2019--'Driving Florida Forward' today launched an effort to advocate for regulatory and tax fairness within the car rental and peer-to-peer car-sharing industries during the 2019 Legislative Session. 'Driving Florida Forward' is advocating for forward-thinking legislative changes that would ensure uniformity for all car rental and peer-to-peer car-sharing operators on car rentals, airport regulations and taxes remitted, as well as put customer transparency and safety first.

"The Florida Association of Counties believes it is in Floridians' best interest to have a fair regulatory structure in place for the car rental and peer-to-peer car sharing industries," said Hendry County Commissioner Karson Turner, president of the Florida Association of Counties, which is a member of Driving Florida Forward. "By holding peer-to-peer car sharing services to the same standard that apply to traditional car sharing companies, local governments can create a safe and responsible environment for these companies and new emerging technologies to thrive."

Florida is known as a leader in technology and innovation, setting the stage for new and emerging technologies and exploring unique and innovative ways to bring goods and services to Floridians and those who visit the Sunshine State. One example of this is the peer-to-peer car-sharing platforms that have seen growth in recent years.

"The Auto Rental Association of South Florida supports legislation this session that addresses how the peer-to-peer car-sharing industry in Florida is regulated and taxed," said Ed Bernal, vice president of the Auto Rental Association of South Florida, which is a member of Driving Florida Forward. "For nearly 50 years, we've witnessed how our industry has transformed thanks to forward-thinking and innovative ideas. However, with this everchanging industry, it is also important to make sure everyone in the car rental and peer-to-peer car-sharing businesses are playing by the same rules and regulations. This session, we join 'Driving Florida Forward' in asking that all car rental and peer-to-peer car-sharing operators are looked at equally for what they are – car rentals."

Legislation has been filed in the Florida Senate (Senate Bill 1148 by Senator Keith Perry (R-Gainesville)) and Florida House of Representatives (House Bill 1111 by Representative Chris Latvala (R-Clearwater)) relating to the Vehicles for Rent or Lease. Driving Florida Forward is asking the Florida Legislature to address the following tenets as they consider legislation regarding peer-to-peer car-sharing platforms and traditional car rentals:

1. Clarify that the use of a vehicle by a person who does not own it for compensation – through a website or at a counter – is still a "rental transaction;"

2. Allow for fair competition among long-standing and new methods of renting vehicles; and

3. Ensure taxes owed to the state for facilitating a rental transaction are remitted.

"A rental is a rental is a rental – it is as simple as that," said Brewster Bevis, senior vice president of state and federal affairs of Associated Industries of Florida, which is a member of Driving Florida Forward. "An equitable and level playing field does not stifle innovation, but there is a legal framework that should be followed for everyone in an industry. If you are marketing your company as a car rental service, then you should operate under the same regulatory and tax framework as those you are competing with in the industry."

"We are proud to be part of such a diverse and forward-thinking coalition like this," said Alan Levine, president and general manager for Enterprise Holdings in Florida. "Not only are we all working together to put financial transparency and consumer fairness out front and center in Florida, but we also want to make sure that local as well as out-of-town car rental customers are properly protected whenever safety recalls are involved."

Also in support of 'Driving Florida Forward' is the American Car Rental Association and Hertz Corporation.

SB 1148, by Senator Perry, has been referred to the Senate Infrastructure and Security Committee; Appropriations Subcommittee on Transportation, Tourism and Economic Development; and Appropriations Committee. HB 1111, by Representative Latvala, has been referred to the House Transportation and Infrastructure Subcommittee, Transportation and Tourism Appropriations Subcommittee, and State Affairs Committee.

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