



Testimony of Sean Tully, Group Risk Manager

Presented to the Joint Standing Committee on Transportation

In Support of LD 1390, Resolve, Directing the Secretary of State to Develop a Plan for a Multiyear Registration System for National Car Rental Companies

Sponsored by Representative Wayne Parry

April 11, 2025

Senator Nangle, Representative Crafts, and distinguished members of the Joint Standing Committee on Transportation, my name is Sean Tully. I am here today on behalf of Enterprise Mobility. I am currently in charge of the Risk Management Department and have been with Enterprise for 24 years. Enterprise has more than 245 team members with great pay and benefits in 23 offices located throughout Maine. We collect and pay excise, payroll, property and sales taxes in excess of \$20 million every year. We continue to be invested in growing our footprint in Maine and have plans to open new locations soon. We are fully vested and invested in the people and economy of Maine.

Enterprise Mobility is pleased to support LD 1390, Resolve, Directing the Secretary of State to Develop a Plan for a Multiyear Registration System for National Car Rental Companies. We appreciate Representative Parry for bringing this bill forward and the bi-partisan group of co-sponsors who have expressed their support.

Enterprise operates in every state and all over the world. Increasingly, states are adding rental fleet registration options to their existing vehicle registration program for rental passenger vehicle fleets. This saves rental companies lost revenue due to downtime, improves the availability of vehicles and increases revenue, which yields additional tax dollars to the State. It also saves car rental companies administrative costs associated with annual renewals. Based on our experience in other states, it will save administrative costs for the Bureau of Motor Vehicles as well.

Every state is different, and we do not presume to know the right model for Maine. We know the Secretary of State's office is working diligently to upgrade its existing vehicle registration system. That is a difficult challenge. We recognize that this study adds additional time to the BMV's workload. Having said that, this is the best time to explore a multi-year registration for rental fleets since a new system can be optimized now to incorporate this option.

In states that have a multi-year fleet registration, generally a rental car company elects a common annual expiration date for all vehicles in its fleet and receives registration stickers for each vehicle in the fleet that are valid for set number of years. At that time, the company pays all registration fees and excise taxes for the fleet for that term. Typically, the BMV may require the company to produce a current certificate of good standing. If the company is no longer in good standing or fails to meet the required threshold of vehicles in its fleet, the BMV terminates their fleet registration and reverts any existing registration credentials to those of non-fleet vehicles. There are also states that use a permanent sticker or a hard plate that does not expire for fleets.

We believe this study is a valuable first step towards streamlining and improving the process for the car rental companies that register significant numbers of vehicles in Maine. It will lead to cost savings and increased convenience that will, in turn, lead to more efficient fleet management.

Thank you for the opportunity to testify. I'd be happy to answer any questions.