

United States Senate

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May 24, 2012

Ronald L. Nelson, Chairman and Chief Executive Officer
Avis Budget Group, Inc
6 Sylvan Way
Parsippany, NJ 07054

Dear Mr. Nelson:

Thank you for your letter dated May 21, 2012 in response to my request that you voluntarily adopt the following pledge:

“Effective immediately, our company is making a permanent commitment to not rent out or sell any vehicles under safety recall until the defect has been remedied.”

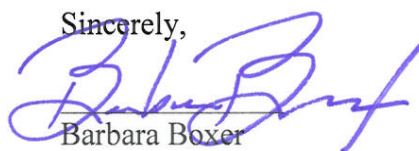
Unfortunately, your current policy falls short of the pledge because it does not commit to permanently stop selling recalled vehicles at auction. In addition, I would like clarification of your current rental and retail sale policies to determine how consistent they are with the pledge.

Your letter states that “we pledge as is our practice, not to rent vehicles subject to a recall” and indicates you have a similar policy for retail sales. To be clear, does this mean you do not rent or sell at retail any recalled vehicles until they have been repaired as described in the manufacturer’s recall notice – without exception? In addition, are you willing to continue doing this, without exception, on a permanent basis?

I am asking this because Avis has previously acknowledged that your policy does in fact allow some recalled vehicles to be rented out prior to completing the repairs described in the manufacturer’s recall notice. For example, in a letter to the National Highway Traffic Safety Administration (NHTSA) dated April 7, 2011, your company said “it is our common practice, as is provided in our written policy, to contact the manufacturer to ascertain, in writing, whether the conditions involved in the recall notice render the vehicle inoperable or unsafe to drive, or if the vehicle can be driven safely until the repairs are made, or if some remedial measure can/should be taken to mitigate the defect until it can be repaired. In accordance with the additional information from the manufacturer regarding the safety of the vehicle we either: put the affected vehicles in a hard hold status or we put the affected vehicles in a soft hold status to effectuate the repairs during normal vehicle maintenance based on the manufacturer’s instructions.” Please clarify this policy, and if it has changed.

To help protect consumers from unsafe vehicles, I urge you to permanently adopt the simple, voluntary policy expressed in the pledge. I look forward to your reconsideration of your policy as soon as possible.

Sincerely,



Barbara Boxer
United States Senator