

Good Faith Efforts for Car Rental Companies

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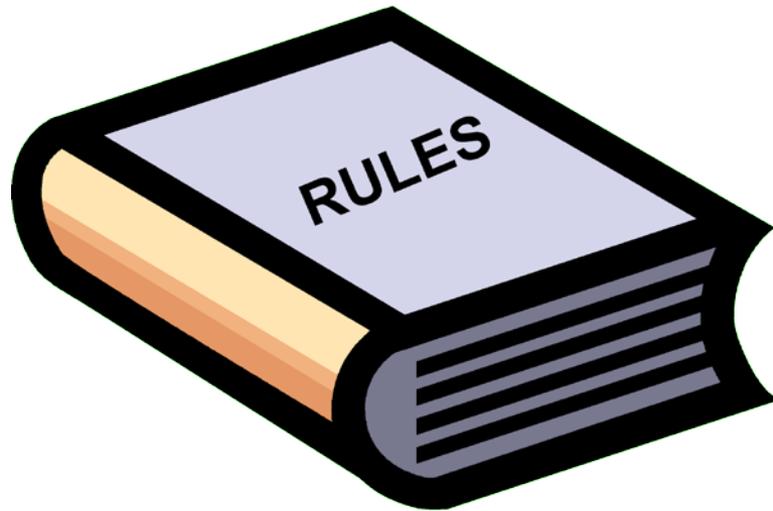
Office Of Civil Rights

*ACHIEVING SAFETY
THROUGH DIVERSITY*



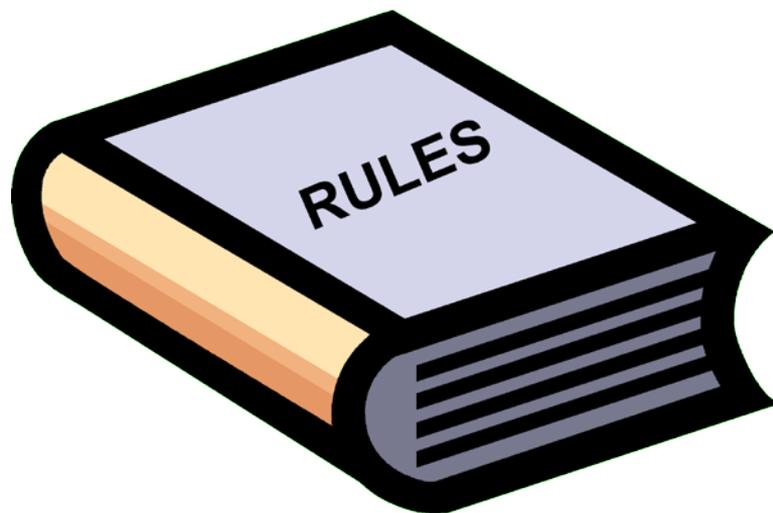
Car Rental ACDBE Goal-Setting

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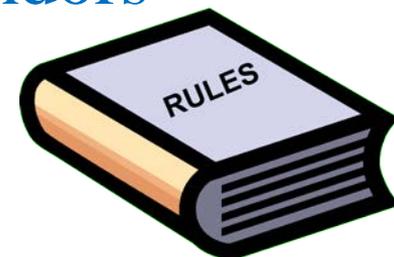
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- 4) G&S from ACDBEs = vehicle purchases or leases; vehicle repair, janitorial services, insurance, and management fees or commissions earned by ACDBEs to name a few...

Direct Ownership

- Car rental firms cannot be required to change corporate structure for direct ownership arrangements to meet goal
- May meet all or some part of goal thru direct ownership arrangements to comply with GFE:
 - Joint Ventures
 - Franchises
 - Subleases



Direct Ownership

49 CFR 23.25 (f): Program requires firms subject to goals (except car rental companies) to make GFE to explore all available options to meet goals, through direct ownership arrangements with ACDBEs



Regulatory Clarification

49 CFR 23.25(f) [2016] “**except car rental companies**”

- Car rental companies not excused from general obligation to make GFE to meet goal
- Exception language intended only to implement limitation against requiring car rental companies to change corporate structures to include direct ownership arrangements as means of meeting goal

Meeting Goal Through G&S

- Meeting goal through purchase of G&S is authorized, however...
- Important that goals encourage participation of ACDBEs in variety of ways
 - Concessions run by ACDBEs



Expectations - Airports

- Rigorously review quality, quantity and intensity of good faith efforts
- Review Part 26, Appendix A “Guidance Concerning Good Faith Efforts”
- Must comply with ACDBE program requirements or may result in finding of non-compliance by FAA



Expectations – Car Rental Companies

- Failure by car rental company to demonstrate sufficient good faith efforts may result in a finding of non-compliance with ACDBE program requirements and must be enforced by the airport.



Expectations – Car Rental Companies

- Failure by the airport to do so may result in a finding of non-compliance against the airport.



Questions?



Thank You!

