

Contact

Harper Learmonth

harper@jackfornewyork.com

917-913-5238

JACK SCHLOSSBERG SAYS NYC HERTZ IS CONTINUING TO SCAN CARS WITH ARTIFICIAL INTELLIGENCE LOOKING FOR MICROSCOPIC DAMAGE TO HIT YOU WITH FEES; WITH CAR RENTAL BOOKINGS ABOUT TO PEAK FOR MEMORIAL DAY, SCHLOSSBERG DEMANDS FEDS INVESTIGATE & PUMP BREAKS ON COMPANIES LIKE HERTZ USING AI TO 'NICKEL & DIME'

SCHLOSSBERG WARNS OF "NEW FRONTIER OF CONSUMER SQUEEZING"

NEW YORK, NY. — NY-12's Jack Schlossberg, today, called on the Federal Trade Commission (FTC) to immediately investigate rental car giant Hertz --and its NYC flagships-- over the continued use of artificial intelligence (AI) to identify and charge customers for vehicle 'damage' — a practice that raises serious concerns about fairness, transparency, and consumer protection.

According to Car and Driver, Hertz continues to deploy AI-powered scanning systems to detect even minor vehicle damage, automatically generating charges to customers — sometimes for issues that may be difficult to verify or dispute.

"This is exactly the kind of technological overreach that can quietly nickel-and-dime New Yorkers without accountability," said Jack Schlossberg. "When AI is used not to serve consumers, but to squeeze them — faster, harder, and with less recourse — that's a flashing red light for regulators."

"This is money-making for Hertz, but it's highway robbery for rental car consumers," said Schlossberg. "And Memorial Day bookings are being made right now across the city. Consumers need to know what is going on, and the FTC needs to act. After Memorial Day, we could have a massive queue of complaints. I bet we do."

The Car and Driver report details how Hertz's system scans vehicles upon return and can flag damage that may not have been previously documented, raising concerns that customers could be charged without clear evidence or meaningful opportunity to challenge the findings.

Schlossberg warned that this practice could represent a broader trend across industries, where artificial intelligence is deployed not as a tool for efficiency, but as a mechanism for extracting additional fees from consumers.

"We are standing at the edge of a new era — where algorithms, not humans, decide what you owe," **Schlossberg continued**. "Without strong oversight, this could become a widespread model: automated accusations, instant charges, and limited ability to fight back."

Schlossberg is urging the FTC to do four things, and says that once in Congress he will legislate these things into federal law:

- Conduct a full investigation into Hertz's use of AI damage detection technology
- Determine whether these practices constitute unfair or deceptive acts under federal law
- Establish clear guidelines for the use of AI in consumer-facing financial decisions
- Ensure that consumers have a transparent, fair, and accessible process to dispute charges

"This is a harbinger," **Schlossberg said**. "If we don't act now, AI will become the perfect tool for corporate fine print — invisible, unaccountable, and everywhere."

Schlossberg emphasized that innovation must not come at the expense of consumer rights and called for swift action to ensure that AI enhances — rather than erodes — trust in the marketplace.

"We have elected officials in New York City who quietly work FOR the AI industry — meanwhile, like in the case of Hertz, consumers are being taken for a ride," **Schlossberg said**.