

Hertz Customers Slammed With Fees by AI Damage Scanner - Is This the Future of Car Rentals?

July 7, 2025 - Imagine dropping off your rental car, thinking everything went fine - only to get hit minutes later with a \$440 bill for a tiny scuff you never even noticed. That's what happened to a Hertz customer named Patrick, who was charged for a one-inch scrape on a wheel after returning his car to Hertz-owned Thrifty at Atlanta's airport. The kicker? The charges were assessed not by a person, but by artificial intelligence.

The New York Post first reported this story, revealing a growing controversy around Hertz's new AI-powered damage detection system, which many customers say is leading to unfair fees with little chance to dispute them. Other outlets - including The Drive, CarScoops, and The Atlanta Journal-Constitution - have also confirmed similar stories. How It Works: The "Car MRI" That Sees Everything

Hertz is rolling out a system from Israeli tech company UVeye - a high-speed scanner that acts like an "MRI for cars." The scanner takes ultra-detailed images of your vehicle as you drive through at drop-off. It then compares those pictures to when you picked the car up and flags anything new - even the smallest scuff or scratch.

Once the AI detects damage, it sends you a bill through the Hertz app. Patrick's bill included:

- \$250 for the repair
- \$125 processing fee
- \$65 administrative fee

He was offered a small discount if he paid quickly - but no easy way to dispute the charge. Like other customers, Patrick found he could only contact Hertz through a web portal or a chatbot. Email replies could take up to 10 days - long after the early-payment discount expired.

Customers Are Pushing Back

Reddit has exploded with complaints. One user, "professor_pimpain", posted about a \$195 charge for a "ding" he seen. Another called the system "a greedy money grab," adding, "Never using Hertz again."

And they may not be alone. Hertz plans to expand the system to 100 airport locations by the end of the year, according to The Drive.

Is This About Accuracy - or Revenue?

Hertz defends the system, saying it improves the process by making it faster and more precise. "The vast majority of rentals are incident-free," the company said in a statement. But critics say the system feels more like a revenue tool than a customer service upgrade. The fact that fees are auto-generated - with no human review, and only a small window for discounted payment - feels like pressure, not precision.

What's more, customers have no way to discuss the issue with a person in real time, leaving many feeling powerless. In fact, some renters have compared the experience to a speeding ticket - issued instantly by a robot, with no trial.

Can Insurance Protect You? Not Always.

You might assume that buying insurance at the counter or using your credit card's rental coverage will protect you. But that's only partly true:

- Damage waivers (like CDW or LDW) may cover repair costs, but often don't include administrative or processing fees.
- Your credit card coverage might help - if it covers "incidental fees" - but policies vary.
- Hertz's own policies aren't always clear about what's covered and what's not.

So even if the actual repair is covered, you could still be on the hook for hundreds in extra charges.
Should You Worry About This With Other Rental Companies?

For now, Hertz is the only major U.S. company widely using this tech. Its affiliates - Thrifty and Dollar - are also affected. Some reports suggest other companies like Enterprise or Avis may be testing similar scanners, but haven't rolled them out nationally yet (OnlineQueso).

If this trend spreads, the hassle-free rental experience travelers rely on could soon be a thing of the past.
How to Protect Yourself

Here's what you can do right now:

- Inspect and photograph your rental car from every angle before and after your trip. Video is even better.
- Ask if AI scanners are being used at your rental location - especially at large airport sites.
- Read the fine print. If it mentions automated or electronic inspections, you could be affected.
- Review your insurance coverage (or credit card policy) to see if it covers fees beyond just damage.

If you do get charged, don't rush to pay just for the discount. Request detailed damage documentation and escalate your dispute, even if the process is slow.

Bottom Line

Hertz says this new system is about making things easier. But for many travelers - especially busy professionals who rent often - it's just one more way technology is being used against the consumer, not for them.

AI may see every dent, but it doesn't see fairness. For now, travelers need to protect themselves - because Hertz's AI sure won't.

by Jim Malmberg

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