

Earlier this year, a TRALA member was involved in a court decision where the court ruled that a consumer rental truck must meet the Federal Minimum Financial Responsibility (MFR) requirements for common and contract carriers transporting property, instead of Wisconsin law which deals with MFR for rented or leased vehicles. Wisconsin law requires an insurance policy of \$25,000 for the injury or death of one person, \$50,000 for the injury or death of more than one person, \$10,000 for property damage (25/50/10), whereas federal law for common and contract carriers transporting property by motor vehicle in excess of 10,000 pounds GVW requires a \$750,000 policy.

The issue arose because Wisconsin has conflicting statutes, and as the situation just described indicates, consumer truck rentals are potentially exposed to MFR requirements well in excess of the 25/50/10 limits that should apply to accidents caused by the negligence of rental truck customers. That statute which sets the 25/50/10 limits is W.S.A. § 344.51, which deals with financial responsibility for rented or leased Vehicles. The other statute in question is W.S.A. § 194.41, which deals with contract of liability for damage to persons or property. This area of law is primarily concerned with the registration and insurance requirements required of common and contract motor carriers, and it references the federal law which states that the minimum financial responsibility for transporting property by motor vehicle in excess of 10,000 pounds GVW is \$750,000.00.

The reason that the minimum insurance limits of \$750,000.00 incorporated by reference into W.S.A. § 194.41 could be mistakenly interpreted to apply to consumer truck rentals is because the first line of W.S.A. § 194.41(1) reads, "(1) No permit or registration may be issued to a common motor carrier of property, contract motor carrier, or *rental company*..." It is uncertain why the phrase "rental company" was included in that line. TRALA, along with the counsel of the member impacted by the court decision, feel that the conflict between the statutes could be resolved by removing the "rental company" from W.S.A. § 194.41, or by defining it in such a way that the term corresponds to the purpose of Chapter 194 as a whole. The easiest solution is probably to just strike "rental company" from 194.41

TRALA is planning to pursue legislation that would fix the conflict in MFR requirements. Please let me know by November 16 if your company has any objections to this.