DEPARTMENT OF TRANSPORTATION

## Chapter Trans 150

## LEASING OF VEHICLES BY PRIVATE CARRIERS

Trans150.01Purpose and scopeTrans150.02DefinitionsTrans150.03General lease requirements

Trans 150.04 Audit and inspections authority Trans 150.05 Exemptions

**Trans 150.01 Purpose and scope.** This chapter applies to all private motor carriers. No private motor carrier may operate a leased motor vehicle on the highways of Wisconsin without complying with the provisions of this chapter.

History: Cr. Register, December, 1994, No. 468, eff. 1-1-95.

**Trans 150.02 Definitions.** The words and phrases defined in ss. 194.01 and 340.01, Stats., have the same meaning in this chapter unless a different definition is specifically provided. In this chapter:

(1) "Lease agreement" means a contract by which one party gives to another the use and possession of a vehicle for a specified time period in exchange for compensation.

(2) "Lessee" means a person who has the legal possession and control of a vehicle owned by another under terms of a lease agreement.

(3) "Lessor" means a person who, under the terms of a lease agreement, grants the legal right of possession, control and responsibility for the operation of the vehicle to another person.

(4) "Sole source lease" means the lease of both a vehicle and a driver for a specific purpose identified in the lease agreement. History: Cr. Register, December, 1994, No. 468, eff. 1-1-95.

**Trans 150.03 General lease requirements. (1)** A lease agreement for the use of a motor vehicle by a private motor carrier shall:

(a) Be in writing and signed by both the lessor and the lessee, or their regular employes or agents duly authorized to act for them in the execution of contracts.

(b) Provide for the exclusive possession, control and use of the motor vehicle controlled by the lessee, and the complete assumption by the lessee of full responsibility to the public and all regulatory agencies having jurisdiction during the entire period of the lease agreement. This provision does not prohibit the lessor from obtaining possession of the motor vehicle for purposes of maintenance or repairs, or because of violations of the lease agreement.

(b) Provide for the exclusive possession, control and use of the motor vehicle controlled by the lessee, and the complete assumption by the lessee of full responsibility to the public and all regulatory agencies having jurisdiction during the entire period of the lease agreement. This provision does not prohibit the lessor from obtaining possession of the motor vehicle for purposes of maintenance or repairs, or because of violations of the lease agreement. (c) Specify the names and addresses of all parties to the lease agreement.

(d) Identify the year, make and vehicle identification number of the motor vehicle as shown on the registration card issued for the vehicle.

(e) Specify the time and date upon which the lease begins and ends or the circumstances under which the lease begins and ends.

(f) Be retained by the lessee and by the owner.

(2) The lessee may prepare a written statement certifying all of the following:

(a) The motor vehicle is being operated by the lessee.

(b) The name of the owner of the vehicle.

(c) The specific description of the vehicle, including the year, make and vehicle identification number of the vehicle.

(d) The time and date upon which the lease begins and ends or the circumstances under which the lease begins and ends.

(3) The certificate described in sub. (2) or a copy of the lease agreement shall be carried in the vehicle specified during the entire period of the lease and shall be made available for inspection upon the request of any law enforcement officer.

History: Cr. Register, December, 1994, No. 468, eff. 1-2-95

**Trans 150.04** Audit and inspection authority. The department may audit and inspect the facilities and records of an owner, lessor and lessee to verify compliance with the requirements of this chapter. Owners, lessors and lessees shall retain all records including lease agreements relating to the lease of vehicles by private carriers for a least 4 years, and shall make these records available to the department for inspection and copying upon request.

History: Cr. Register, December, 1994, No. 468, eff. 1-1-95,

**Trans 150.05 Exemptions.** Private motor carriers operating the following vehicles are not subject to the requirements of this chapter:

(1) Trailers and semitrailers.

(2) A vehicle owned or lease by a rental company and subject to the requirements of ch. Trans 175.

(3) A vehicle operated under a sole source lease provided a copy of the lease agreement is carried in the vehicle to be made available for inspection immediately upon the request of any law enforcement officer

History: Cr. Register, December, 1994, No. 468, eff. 1-1-95.