



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2005 Wisconsin Act 173
[2005 Senate Bill 623]

**Damages to Rental Vehicles and
Granting Rule-Making Authority**

2005 Wisconsin Act 173 makes changes to the statutes relating to responsibility for damages to rental vehicles as follows:

Notice of government fee: Requires a rental company to notify a customer of any government fee charged by the rental company before the customer enters into an agreement. A government fee may be charged to the customer as a way for the rental company to recover the fees imposed by the government or its agents for the rental of private vehicles.

Definition of “accident”: Clarifies that the definition of “accident” includes only accidents not intentionally caused by the renter.

Liability for theft: Provides that a renter may be held liable for the theft of a private passenger vehicle intentionally caused by the renter. A renter is presumed *not* to have caused the theft intentionally if the renter: (1) has possession of the ignition key or establishes that the ignition key was not in the vehicle at the time of the theft; (2) files an official report of the theft with the police within 24 hours; and (3) reasonably cooperates with the rental company, police, and other law enforcement agencies in providing information concerning the theft.

Storage costs: Provides that the renter is responsible for the actual and reasonable costs incurred by the rental company for towing and for storage of a vehicle during the period before the renter notifies the rental company of damage to the vehicle or for 14 days after the damage occurs, whichever period is shorter. Under prior law, a renter was responsible for the cost of storage for no more than two days.

Repair estimates: Requires a rental company to furnish one estimate of repair costs of a damaged vehicle, instead of two estimates from competing repair shops, to the renter or the renter’s insurance company. However, a second estimate must still be made available upon request of the renter, if the request is made within two working days of the notice of the right to inspect the damaged vehicle.

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature’s Web site at: <http://www.legis.state.wi.us/>.

Damage waivers: Adds a new exception to the damage waiver that a renter may purchase. Such a waiver provides that the rental company may not hold the renter liable for any amount that the renter might otherwise be liable for **unless damage occurs while the vehicle is operated by someone other than an authorized driver, except if the vehicle has been lost or stolen.**

Collection of charges with credit card: Permits a rental company to use the renter's credit card for any charges provided for in the rental agreement if the rental company obtains the renter's authorization to use that card. This authorization must be obtained after the total amount of charges is determined and before the rental company processes the charge.

Effective Date: The Act took effect on April 5, 2006.

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