January 5, 2016 – Introduced by Senators KAPENGA, COWLES, GUDEX and MOULTON, 
cosponsored by Representatives VANDERMEER, KOYENGA, ALLEN, BALLWEG, E. 
BROOKS, CRAIG, KRUG, MURPHY, ROHRKASTE and SPIROS. Referred to Committee 
on Agriculture, Small Business, and Tourism.

AN ACT to repeal 344.574 (2) (b) 2.; to amend 344.574 (1) (a) (intro.), 344.574 
(1) (b) (intro.) and 344.574 (2) (b) 3.; and to create 344.57 (3m) and 344.574 (2) 
(a) 2m. of the statutes; relating to: loss-of-use fees for rental motor vehicles.

Analysis by the Legislative Reference Bureau

This bill allows a vehicle rental company to hold a renter or driver of a rented 
vehicle liable for loss of use of the vehicle under certain circumstances.

Under current law, the total liability of a renter or authorized driver for damage 
to a rented private passenger vehicle may not exceed the actual costs to repair the 
vehicle or the fair market value of the vehicle immediately before the damage 
occurred, whichever is less, and the costs incurred by the rental company for towing 
and storage of the vehicle. A rental company may not hold a renter or driver of a 
rental vehicle liable for loss of use of the vehicle.

Under this bill, a rental company may hold a renter or driver of a rented private 
passenger vehicle liable for loss of use that results from an accident for which the 
renter or driver is cited or charged with inattentive driving, reckless driving, 
operating while intoxicated, homicide by negligent operation or intoxicated use of a 
vehicle, or a failure to yield violation that resulted in bodily harm or death. Loss of 
use must be calculated using the daily rental rate stated in the rental agreement for 
the vehicle, multiplied by the number of loss-of-use days, not to exceed 30 days.

The people of the state of Wisconsin, represented in senate and assembly, do 
enact as follows:
SECTION 1. 344.57 (3m) of the statutes is created to read:

344.57 (3m) “Loss of use” means the loss of a rental company’s ability to use a private passenger vehicle for any purpose due to damage to or loss of the vehicle.

SECTION 2. 344.574 (1) (a) (intro.) of the statutes is amended to read:

344.574 (1) (a) (intro.) Unless a renter purchases a damage waiver offered in accordance with s. 344.576, a rental company may hold the renter liable to the extent permitted under subs. (2) to (4) for physical or mechanical damage to the rented private passenger vehicle that is caused by any of the following:

SECTION 3. 344.574 (1) (b) (intro.) of the statutes is amended to read:

344.574 (1) (b) (intro.) Unless a renter purchases a damage waiver offered in accordance with s. 344.576, a rental company may hold an authorized driver liable to the extent permitted under subs. (2) to (4) for physical or mechanical damage to the rented private passenger vehicle that is caused by any of the following:

SECTION 4. 344.574 (2) (a) 2m. of the statutes is created to read:

344.574 (2) (a) 2m. The amount necessary to reimburse the rental company for loss of use of the private passenger vehicle, subject to all of the following:

a. The loss of use resulted from an accident for which the renter or authorized driver was cited or charged with a violation of s. 346.18 or a local ordinance in conformity therewith that resulted in bodily harm or death, a violation of s. 346.62, 346.63, or 346.89 or a local ordinance in conformity therewith, or a violation of s. 940.09 or 940.10.

b. Loss of use shall be calculated using the daily rental rate stated in the rental agreement for the private passenger vehicle, excluding optional charges, multiplied by the number of loss-of-use days, which shall be equal to 2.5 hours of labor as determined by an appraisal for the repair of the private passenger vehicle.
c. In the event of a loss-of-use claim, 3 administrative days shall be added to the days calculated under subd. 2m. b.

d. The number of days calculated under subd. 2m. b. and c. shall not exceed 30 days.

**SECTION 5.** 344.574 (2) (b) 2. of the statutes is repealed.

**SECTION 6.** 344.574 (2) (b) 3. of the statutes is amended to read:

> 344.574 (2) (b) 3. **Any Except as provided in par. (a) 2m.**, administrative charges, including the cost of appraisal, or other costs or expenses that are incidental to the damage to the private passenger vehicle.

(END)