

## Chapter Trans 175

## RENTAL COMPANIES

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**Trans 175.01 Applicability.** Except in accordance with the following rules, no rental company, as defined herein, shall engage in the business of renting to others any motor vehicles when operated under lessor permits issued pursuant to the provisions of ss. 194.04 (3) (c) and 194.44 (2), Stats., and which are to be operated upon the public highways of Wisconsin.

**History:** Cr. Register, July, 1962, No. 79, eff. 8-1-62; am. Register, April, 1970, No. 172, eff. 5-1-70; renum. from PSC 65.01, Register, October, 1982, No. 322, eff. 11-1-82.

**Trans 175.02 Definitions.** (1) "Rental company," as used herein, means a "lessor" or "leasing company" referred to in ss. 194.04 (3) (c) and 194.44 (2), Stats. It includes every person regularly engaged in the business of leasing motor vehicles without drivers or leasing trailers to be hauled or propelled by a motor vehicle. These rules do not apply to the renting of automobiles or trailers used therewith when such vehicles are operated in private motor carriage.

(2) "Renter" means a person renting motor vehicles from a rental company.

**History:** Cr. Register, July, 1962, No. 70, eff. 8-1-62; renum. from PSC 65.02, Register, October, 1982, No. 322, eff. 11-1-82.

**Trans 175.03 Registration.** Each rental company, before engaging in such business, shall file an application with the department of transportation on forms prescribed by it and secure an identifying registration number. Said registration number will be issued after such investigation as the department may deem necessary, either with or without hearing. The department, after giving applicant opportunity to be heard, may attach to such rental company registration such conditions as may be deemed necessary to accomplish the purpose of s. 194.44 (2), Stats.

**History:** Cr. Register, July, 1962, No. 79, eff. 8-1-62; renum. from PSC 65.03 and am. Register, October, 1982, No. 322, eff. 11-1-82.

**Trans 175.04 Operating requirements.** All rental companies shall comply with the following conditions:

(1) Have an established place of business where facilities shall be available to the public to obtain service.

(2) Have title in its name for all motor vehicles used in the rental business or furnish evidence to the Wisconsin department of transportation, that a bona fide agreement between the rental company and a licensed dealer or manufacturer has been executed and includes an option to purchase such motor vehicles.

(3) Furnish motor vehicles on demand to all qualified customers without discrimination. This provision shall not prohibit the rental company from establishing such reasonable operating standards as are necessary in the conduct of its business nor require such company to furnish equipment beyond its ability so to do.

(4) Negotiate a rental agreement which shall comply with each of the following requirements:

(a) Be in writing and signed by the parties thereto, or their regular employes or agents duly authorized to act for them, in the execution of contracts, leases, or other arrangements. Shall show the year, make and identification, motor or serial number or Wisconsin license number of the motor vehicle as shown on the registration card issued for such vehicle.

(b) Provide for the exclusive possession, control, and use of the motor vehicle involved by the renter and the complete assumption by such renter of full responsibility to the public and all regulatory agencies having jurisdiction during the entire period of the agreement. This provision shall not prohibit a rental company from obtaining possession of the motor vehicle for purposes of maintenance, repairs, or because of violation of the rental agreement.

(c) Specify the time the rental agreement begins, the time or the circumstances on which it ends, and the method of determining the compensation for the use of the motor vehicle involved. The rental agreement shall also specify that public liability and property damage insurance furnished by the rental company is in no case less than the amounts specified in s. 194.41, Stats. The actual limits of such insurance coverage shall be made available to the renter upon request.

(d) Be completed on forms which are serially numbered, and a sample copy of which form has previously been filed with the department of transportation.

(e) Be executed in triplicate. The originals including voided copies shall be retained by the rental company and filed in numerical order, one copy shall be retained by the renter, and one copy shall be carried on the motor vehicle specified therein during the entire period of the agreement by the renter and shall be made available for inspection immediately upon the request of any law enforcement officer.

History: Cr. Register, July, 1962, No. 79, eff. 8-1-62; am. (2) and (4) (a) (b) (d) and (e), Register, April, 1970, No. 172, eff. 5-1-70; renum. from PSC 65.04 and am. (2) and (4) (d), Register, October, 1982, No. 322, eff. 11-1-82.

#### **Trans 175.05 Prohibited practices. No rental company shall:**

(1) Furnish any service or protection to a renter except those directly related to the maintenance and operating condition of the motor vehicle and public liability and property damage insurance as required by s. 194.41, Stats. This section shall not prohibit the rental company from providing additional insurance coverage on the motor vehicle but shall not in any way authorize insurance protection for the cargo carried.

(2) Directly or indirectly and with the intent to evade this prohibition, procure drivers for vehicles rented or directly or indirectly and with the intent to evade this prohibition exercise any positive control over drivers of such rented vehicles.

(3) Authorize renter to subrent vehicle to another.

(4) Hold itself out to be responsible for drivers' wages, payroll, unemployment compensation, social security tax, income withholding tax, or any taxes that are normally due by reason of an employee-employer relationship.

History: Cr. Register, July, 1962, No. 79, eff. 8-1-62; renum. from PSC 65.05, Register, October, 1982, No. 322, eff. 11-1-82.

**Trans 175.06 Contract and common motor carriers.** No person holding a Wisconsin intrastate contract motor carrier license or common motor carrier of property or of passengers certificate shall be granted a rental company registration except as otherwise authorized by the department of transportation upon application and for good cause shown.

History: Cr. Register, July, 1962, No. 79, eff. 8-1-62; renum. from PSC 65.06, Register, October, 1982, No. 322, eff. 11-1-82.

**Trans 175.07 Records.** (1) The Wisconsin department of transportation, or its duly authorized agents shall, during normal business hours have access and authority to inspect, examine, and copy any and all accounts, books, records, memorandums, correspondence, and other documents pertaining to the rental company business. These records shall be made available at the company's place of business in Wisconsin within a reasonable time upon request of the department of transportation.

(2) All records pertaining to the rental company business shall be preserved for a period of not less than 6 years.

History: Cr. Register, July, 1962, No. 79, eff. 8-1-62; am. (1), Register, April, 1970, No. 172, eff. 5-1-70; renum. from PSC 65.07, Register, October, 1982, No. 322, eff. 11-1-82.

**Trans 175.09 Service requirements.** Every rental company registration issued by the department of transportation shall be conditional upon the establishment of service thereunder within a reasonable time and maintenance thereof with reasonable continuity. Failure to maintain vehicles properly qualified for rental for a period of more than 1 year is a violation of this section unless permission is secured from the department to discontinue service for a longer period upon good cause shown.

History: Cr. Register, April, 1970, No. 172, eff. 5-1-70; renum. from PSC 65.09, Register, October, 1982, No. 322, eff. 11-1-82.