

Vehicle Rentals

Recently, a few members have called with questions regarding vehicle rentals. I thought it best to share the details of my responses to everybody.

Coverage:

It is the intent of the Multi-line Program to cover vehicles rented and operated by its members in the United States, its territories and possessions, and Canada. **There are two key issues to keep in mind when renting vehicles:**

- The vehicles *must be rented in the name of your supervisory union or school district*. Most entities set up accounts with a preferred vendor and establish procedures with that vendor on how to rent vehicles through the account.
- *Your supervisory union/school district should have given permission for the rental*. This is normally accomplished by a simple request form which would be authorized by an appropriate S.U. employee.

Vehicles rented in an individual's personal name are not covered by the Multi-line program. In this case, the individual's personal auto policy would cover the rental exposure.

There is no need to contact the program in order for coverage to be applicable. However, we suggest that each S.U. carefully review each rental request for appropriateness and necessity. We would also suggest that you confirm that the individual you have granted permission to rent, have a valid driver's license.

Physical Damage Coverage offered by rental companies:

The program encourages its members to purchase physical damage coverage offered by rental car companies, however it is not a requirement. Purchasing this coverage limits the program's exposure to loss and helps keep your contributions as low as possible.

In addition, it should be noted when this coverage is not purchased, rental car companies usually will temporarily "max out" your credit card immediately after an accident in an attempt to ensure that they can recover the cost to repair their vehicle. This hold is dropped only after the rental company processes the needed funds from an insurance company (or other source). Even if the program expedites a claim check, it can take the rental company significant time to process the money and drop the hold on your credit card account.

Renting Vans:

The Multi-line program does cover the rental of vans for field trips, or other purposes, subject to the items discussed previously. Please be aware that Vermont statutes do not allow for the transportation of students in 12-15 passenger vans.

If you have any questions regarding this issue please do not hesitate to contact us.

