

MAP AND RENTING A U-HAUL TRUCK – COVERED OR NOT?

SO...IS IT SPRING YET?

May has flown by...People must be thinking of moving as I just had a question – does the MAP cover a client when they rent a U-Haul to move? Or, they are thinking of gardening because another question I received: If my client rents the dump truck in the Lowes or Home Depot parking lot to bring mulch or rocks home to personal garden, will the MAP follow?

Let's look.

SO ... THE MAP HAS A DEFINITION OF "AUTO":

4. Auto – **means a land motor vehicle** or trailer but does **not include:**
 - A. Any vehicle operated on rails or crawler treads.
 - B. Any vehicle or trailer while it is located for use as a residence or premises. We will consider such a vehicle to be an auto while it is being used on public roads or for recreational use.
 - C. A farm tractor or other equipment designed for use principally off public roads. We will consider a tractor or other equipment to be an auto while it is being used on public roads.
 - D. Any vehicle not subject to Massachusetts Motor Vehicle registration such as a moped, dirt bike, mini-bike, snow mobile or an all-terrain vehicle (ATV).

Is a dump truck and/or U-Haul box truck an "auto" by definition? Absolutely! Both are land motor vehicles and subject to Massachusetts Motor Vehicle registration for use on public roads. If your insured owned either of these vehicle types, would we put either of those vehicles ON a MAP? Absolutely not! But that was NOT the question! The client is renting the dump truck and/or U-Haul box truck for a personal activity.

COVERAGE UNDER THE INSURED'S 2008/2016 MAP:

Part 2 PIP states:

We will pay the benefits described below to you and other people injured or killed **in auto** accidents.

And

We will pay PIP benefits to or for:

2. You, or anyone living in your household, if injured while occupying **an auto** which does not have Massachusetts Compulsory Insurance or if struck by an auto which does not have Massachusetts Compulsory Insurance.

Part 3 UM and Part 12 UIM state:

We will pay damages to or for:

1. You, while occupying your auto, while occupying an auto **you do not own**, or if injured as a pedestrian.

Part 4 PD to others states:

We will pay only if you or a household member is legally responsible for the accident.

Could the insured cause an accident while driving the rented U-Haul or dump truck and be considered "legally responsible"?

continued...

Yes. If there is no other exclusion then Part 4 will respond on behalf of client AFTER the insurance on the vehicle applies.

Part 5 Optional BI to others states:

Under this Part, we will pay damages to people injured or killed in accidents if you or a **household member** is legally responsible for the accident.

Like Part 4, the insured could cause an accident in the rented U-Haul or dump truck and be considered "legally responsible" for the accident. Neither Part 4 nor Part 5 even mention "auto".

The 2016 MAP brings in the word "auto" and changes some wording in Part 4, but should still follow the client assuming no exclusion applies.

DOES THIS EXCLUSION APPLY TO PART 4 PD OR PART 5 OBI?

While anyone is using a vehicle **in the course of any business** other than the business of selling, servicing, repairing or parking autos. **This exclusion does not apply to private passenger autos, or to pick-up trucks, vans, or similar vehicles** not used for the delivery or transportation of goods or materials unless such use is incidental to your business of installing, maintaining, or repairing furnishings or equipment.

NO! This exclusion only limits MAP coverage to a private passenger auto, pickup or van when it is being used for BUSINESS activity. Renting a U-Haul or dump truck for personal activity such as moving or bringing something home for personal consumption is NOT a business activity. Therefore, this exclusion and restriction to specified vehicle types does NOT apply.

Part 6 Medical Payments states:

We will also pay for expenses resulting from bodily injuries to you or any household member if struck by an auto or if occupying **someone else's auto** at the time of the accident.

So, like Part 2 – coverage follows you and household members occupying someone else's auto. Is the U-Haul truck or dump truck an auto? Certainly is by MAP definition! There is no exclusion that will apply.

Now ... the rubber meets the road ... collision/limited collision/comprehensive. As the saying goes ... the "buck stops here".

Part 7 states:

We will also pay for collision damage **to other private passenger autos** while being used by you or a household member with the consent of the owner.

Part 8 states:

We will also pay in these situations for damage to **other private passenger autos** while being used by you or a household member with the consent of the owner.

Part 9 states:

We will also pay for such damage or loss to **other private passenger autos** while being used by you or a household member with the consent of the owner.

So, if one damages the U-Haul truck or dump truck will the MAP respond? I don't think so. Whereas "auto" means any land motor vehicle subject to Massachusetts motor vehicle registration, the term "private passenger auto" is more limiting. Is private passenger auto defined in the MAP? No.

The MAIP manual defines what a private passenger auto is ...

RULE 27. PRIVATE PASSENGER DEFINITION

A. A motor vehicle of the private passenger or station wagon type that is owned or leased under contract for a continuous period of at least twelve months by one or more individuals, excluding (1) partnerships, (2) corporations, (3) unincorporated business associations, and (4) other legal business entities with a federal employer identification number, and is not used as a public or livery conveyance nor rented to others. A

vehicle which meets the conditions of Rule 31, regarding the transportation of fellow employees, students or others for consideration, is included in this definition, provided such vehicle is not registered for carrying passengers for hire.

- B. A motor vehicle that is a pick-up or van, that is owned or leased under contract for a continuous period of at least 12 months by one or more individuals, excluding (1) partnerships, (2) corporations, (3) unincorporated business associations, and (4) other legal business entities with a federal employer identification number, and
1. has a gross vehicle weight rating of less than 10,000 pounds or has a vehicle rating group assigned to it by the Automobile Insurers Bureau of MA (AIB), and
 2. is not used for the delivery or transportation of goods or materials unless such use is incidental to the insured's business of installing, maintaining or repairing furnishings or equipment.

...but the MAP has no definition of private passenger auto.

There was a court case in MA – Lumbermens Mutual Casualty Company vs. Offices Unlimited, Inc., Federal Insurance Company, third-party defendant; 419 Mass. 462 discussing whether a pickup truck was a private passenger auto or not. The appeals court agreed that a private passenger auto was not a pickup truck. If a pickup truck isn't a private passenger auto, how can a dump truck or box truck qualify?

If the intention was to grant the same coverage as found in Parts 4, 5 & 6 – wouldn't the coverage apply to "other autos" not limiting it to "other private passenger autos"?

For MY money, I have LITTLE to NO hope that a Part 7, 8 & 9 loss would be paid to a rented or borrowed U-Haul box truck or dump truck. One should ask the insured's company how they intend to "approach" such a claim.

The National PAP is more specific as to coverage and states collision and "other than collision", which we know as comprehensive, applies to "your covered auto" and "non-owned autos".

A "non-owned auto" is defined as:

Any **private passenger auto, pickup, van or "trailer"** not owned by or furnished or available for the regular use of you or any "family member" while in the custody of or being operated by you or any "family member"; or

A little more specific, but still not defining what a private passenger auto is.

So ... HOW LUCKY DO YOU FEEL TODAY?

I KNOW that Parts 2, 3, 4, 5, 6 & 12 can follow me if I rent/borrow a U-Haul truck or dump truck for a personal activity. I personally would buy the loss damage waiver and/or drive very carefully. And, watch out for low bridges.

As usual, if I can be of service to you, please call me, Irene Morrill, Vice President of Technical Affairs at 1-800-742-6363 or ... BETTER YET email me at imorrill@massagent.com.

This article has been developed expressly for the members of MAIA. Reprint by other than members without the express permissions of the author is not permitted.

Don't Miss MAIA's Visit to Your Neighborhood

MAIA continues with the "Facing the Future" series in June. Join us for an hour-long session to discuss the following:

- Changes to MAIA's approach to government affairs and legislative matters - with an update from lobbying firm Ventry Associates.
- Recent strategic planning meetings which have resulted in the creation of two new taskforces in the areas of Dues Structure and Talent Recruitment.
- How to be directly involved in the "Live Boldly. Prepare Accordingly." digital consumer advertising campaign.
- Technology upgrades at the Association including a website overhaul and new communication apps.
- Education, Training and Insurance Product updates.



Facing the Future Together

Reserve your spot today!

June 14th in Springfield, MA | June 15th in Waltham, MA | June 19th in Milford, MA

June 21st in Peabody, MA | June 27th in Westport, MA

[Register to Reserve Your Seat Today](#)

Thanks Company Partners

MAIA would like to acknowledge our 2016 Agent Awareness Campaign Diamond and Platinum company partners. Please support those companies that support the Independent Insurance Agent.

**Massachusetts Association of Insurance Agents
Agent Awareness Campaign
2016**

Diamond Partners

ARBELLA INSURANCE GROUP **The Hanover** Insurance Group® **Safety Insurance** AUTO • HOME • BUSINESS

ND GROUP **MAPFRE** | INSURANCE® **NUMBER ONE** INSURANCE AGENCY, INC.

Platinum Partners

VERMONT MUTUAL INSURANCE GROUP *More Than Just Insurance.* **Plymouth Rock** assurance. **Safeco** Insurance. A Liberty Mutual Company **QUINCY MUTUAL GROUP**