

RISK MANAGEMENT BULLETIN

Insurance Guidelines for Equipment Rentals



Our office receives many insurance questions from agencies when they rent or lease equipment. Trailers, construction or farm equipment, power tools and the like, must be insured prior to renting or leasing. Agencies should, at a minimum, purchase the insurance coverage offered by the rental/lease agency. The agreements generally make the renter/lessee responsible for any and all damage to the equipment.

In situations where insurance is not available with the renting agency, you must contact Risk Management for insurance options. **Any rental not approved for insurance by our office, will result in the agency being responsible for any claim expenses.**

We have stringent conditions on out-of-state use. The Maine Tort Claims Act provides certain liability immunities and protections to the State. If a claim occurs outside the State, our protections may not exist. The State could be sued for an unlimited amount. If your agency is looking at operations outside the State please contact us to discuss options.

Should you have any questions on these guidelines, please don't hesitate to call Risk Management Division.

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