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Motor Carrier Comprehensive Risks Management 2022 Program for Defensible Independent Contractor Classifications

DeWitt Model CMVL – 2022 Introduction and Features

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DeWitt's new model "Contractor Motor Vehicle Lease and Purchased Transportation Agreement" ("CMVL") has been a work-in-progress through 2021. Its development included multiple consults with and input from other professionals serving the transportation industry (e.g., underwriters, accountants, association representatives, transportation merger & acquisition specialists) and, of course, many of our valued motor carrier clients. The resultant model attempts to anticipate best practices in the changing transportation environment, including potential legislation before Congress and cases potentially to be decided by the Supreme Court of the United States, possibly during 2022.¹

- DeWitt's model CMVL is designed to (a) be implemented as part of a comprehensive risk management system for motor carriers, including defensible IC classifications;² and (b) be tailored to each client carrier's specific terms, conditions, operating practices, and preferences.
- The program features guidance for onboarding Contractors (oral and written communications) to assure a defensible "meeting of the minds" as to all terms and conditions.
- The master CMVL is only 4 pages and Contractor friendly. It includes links to all necessary terms and conditions, fully compliant with Truth-in-Leasing, 49 CFR Part 376.
- The full CMVL document is available in paper and soon fully electronic versions, including elements that can be updated by simple notice without re-signing the entire CMVL. In its fully electronic form, the master CMVL is 4 pages with all traditional Addenda maintained online and tracked electronically through each update.
- CMVL Addendum Z provides an option for engaging Contractor carriers operating under their own "authority" creating a broker-carrier relationship and serving as a potential barrier to IC classification challenges (e.g., ABC test) and to catastrophic BIPD claims.

¹ See summary, [2021-2022 Perilous Times for Motor Carriers – Why Updating Legal Structures & Documents Is Prudent](#), July 2021.

² For example, [Transportation and Logistics Entity Structure Briefing - Separation of Brokerage Business from Carrier Entity](#), June 2021; and [Catastrophic Accidents CMV Involvement, Avoiding Nuclear Verdicts, Settlements Within Policy Limits](#), August 2021.