

## Wage and Hour Division, Labor

## § 500.121

The term "24 consecutive hours" as used in this part means any such period starting at the time the driver reports for duty.

(5) *Inspection and maintenance of motor vehicles* (Source: 49 CFR 398.7). Every person shall systematically inspect and maintain or cause to be systematically maintained, all motor vehicles and their accessories subject to its control, to insure that such motor vehicles and accessories are in safe and proper operating condition.

[48 FR 36741, Aug. 12, 1983; 48 FR 38380, Aug. 23, 1983]

### INSURANCE

#### **§ 500.120 Insurance policy or liability bond is required for each vehicle used to transport any migrant or seasonal agricultural worker.**

A farm labor contractor, agricultural employer or agricultural association shall not transport any migrant or seasonal agricultural worker or his property in any vehicle such contractor, employer or association owns, operates, controls, or causes to be operated unless he has an insurance policy or liability bond in effect which insures against liability for damage to persons or property arising from the ownership, operation, or causing to be operated of such vehicle. Generally, the owner or lessor of the vehicle will be responsible for providing the required insurance. The insurance requirements do not apply to vehicles involved in carpooling arrangements made by the workers themselves, using one of the workers' own vehicles and not specifically directed or requested by an agricultural employer or agricultural association. However, carpooling does not include any transportation arrangement in which a farm labor contractor participates. Activities exempt from transportation safety standards are also exempt from insurance requirements. (See also § 500.103.)

#### **§ 500.121 Coverage and level of insurance required.**

(a) Except where a liability bond pursuant to § 500.124 of this part has been approved by the Secretary, a farm labor contractor, agricultural employer or agricultural association

shall, in order to meet the insurance requirements in § 500.120, obtain a policy of vehicle liability insurance.

(b) The amount of vehicle liability insurance shall not be less than \$100,000 for each seat in the vehicle, but in no event is the total insurance required to be more than \$5,000,000 for any one vehicle. The number of seats in the vehicle shall be determined by reference to § 500.105(b)(3)(vi). See § 500.122 regarding insurance requirements where State workers' compensation coverage is provided.

(c) The insurance to be obtained under paragraph (a) of this section shall be issued by an insurance carrier licensed or otherwise authorized to do business in the State in which the insurance is obtained.

(d) The vehicle liability insurance to be obtained under paragraph (a) of this section shall be endorsed to insure against liability for personal injury to employees whose transportation is not covered by workers' compensation insurance, and to persons who are not employees; and for property damage as specified in (b) of this section.

(e) An agricultural employer or agricultural association may evidence the purchase of liability insurance which covers the workers while being transported, as required under paragraph (a) by obtaining and making available upon request to the Department of Labor a completed liability certificate of insurance showing that insurance conforming to the limits required by paragraph (b) and the coverage required by paragraph (d) of this section is in effect. A farm labor contractor must obtain such a certificate and provide a copy to the Administrator when applying for authorization to transport migrant or seasonal agricultural workers.

(f) With respect to an agricultural employer or agricultural association, in the absence of the insurance certificate referred to under paragraph (e) of this section, the Department of Labor will look to the actual policy of insurance in determining compliance with the insurance requirements.

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