No.				
	 	 	 	 -

## In the Supreme Court of the United States

MALCO ENTERPRISES OF NEVADA, INC., A DOMESTIC CORPORATION,

Applicant,

v.

## ALELIGN WOLDEYOHANNES

## APPLICATION FOR AN EXTENSION OF TIME TO FILE A PETITION FOR A WRIT OF CERTIORARI

To the Honorable Elena Kagan, Associate Justice of the Supreme Court of the United States and Circuit Justice for the United States Court of Appeals for the Ninth Circuit:

1. Pursuant to Supreme Court Rule 13.5, petitioner Malco Enterprises of Nevada, Inc., respectfully requests a 60-day extension of time, to and including June 27, 2025, within which to file a petition for a writ of certiorari. The Nevada Supreme Court issued an opinion on December 5, 2024. A copy of the opinion is attached as Exhibit A. The Nevada Supreme Court denied petitioner's timely rehearing en banc petition on January 28, 2025. A copy of the order is attached as Exhibit B. This Court's jurisdiction would be invoked under 28 U.S.C. § 1257(a).

- 2. Absent an extension, a petition for a writ of certiorari would be due on April 28, 2025. This application is being filed more than 10 days in advance of that date, and no prior application has been made in this case.
- 3. This cases raises a nationally important question about the Graves Amendment, 49 U.S.C. § 30106, which expressly preempts state laws that impose vicarious liability on car rental and leasing companies for the negligence of their renters and lessees involved in car accidents. The question is whether a state can evade preemption under the Graves Amendment by recasting a vicarious liability provision as a "financial responsibility law" that the statute excludes from its preemptive effect.
- 4. Under the express preemption clause in Section 30106(a), "[a]n owner of a motor vehicle that rents or leases the vehicle to a person \* \* \* shall not be liable under the law of any State" for the negligence of renters or lessees. 49 U.S.C. § 30106(a). Under Section 30106(b), Congress excluded "financial responsibility laws" from the preemptive force of the statute:
  - (b) Financial Responsibility Laws.—Nothing in this section supersedes the law of any State or political subdivision thereof—
    - (1) imposing financial responsibility or insurance standards on the owner of a motor vehicle for the privilege of registering and operating a motor vehicle; or
    - (2) imposing liability on business entities engaged in the trade or business of renting or leasing motor vehicles for failure to meet the financial responsibility or liability insurance requirements under State law.

49 U.S.C. § 30106(b).

- 5. The Supreme Courts of Connecticut, Minnesota, Florida, and Rhode Island have held that the Graves Amendment preempts state laws that impose vicarious liability on motor vehicle rental or leasing companies. Those courts have not allowed state legislatures and litigants to evade preemption simply by recasting vicarious liability provisions as "financial responsibility laws" that the statute excludes from preemption. In the decision below, the Supreme Court of Nevada deviated from the prevailing interpretation of the Graves Amendment by subjecting petitioner, the owner of a rental company, to vicarious liability under state law for a rental vehicle driver's negligence. The petition thus will present a square conflict among state high courts over a federal law that sought national uniformity on the standard for vicarious liability in the motor vehicle rental and leasing industry.
- 6. Further, before the decision below, state high courts followed a leading Eleventh Circuit decision, *Garcia* v. *Vanguard Car Rental USA*, *Inc.*, 540 F.3d 1242, 1247 (2008), in which the court explained that "Congress used the term 'financial responsibility law' to denote insurance-like requirements on owners or operators of motor vehicles, but permit them to carry, in lieu of liability insurance per se its financial equivalent, such as a bond or self insurance." The Eleventh Circuit thus distinguished "financial responsibility laws" from laws imposing vicarious liability, concluding that states "simply may not impose

\_

<sup>&</sup>lt;sup>1</sup> See Rodriguez v. Testa, 993 A.2d 955 (Conn. 2010); Meyer v. Nwokedi, 777 N.W.2d 218 (Minn. 2010); Vargas v. Enter. Leasing Co., 60 So.3d 1037, 1042 (Fla. 2011); Puerini v. Lapierre, 208 A.2d 1157, 1164-1168 (R.I. 2019); see also Enterprise Rent-a-Car Co. of Boston v. Maynard, 2012 WL 1681970, at \*9 (D. Me. May 14, 2012) (citing cases); Subrogation Div., Inc. v. Brown, 446 F. Supp. 3d 542 (D.S.D. 2020).

[vicarious liability] judgments against rental car companies based on the negligence of their

lessees." Id. at 1249. The decision below conflicts with the Eleventh Circuit, and "[a]

principal purpose for which [this Court uses its] certiorari jurisdiction \* \* \* is to resolve

conflicts among the United States courts of appeals and state courts concerning the

meaning of provisions of federal law." Braxton v. United States, 500 U.S. 344, 347 (1991).

7. Petitioner respectfully requests an extension of time to file a petition for a

writ of certiorari. Undersigned counsel, who will serve as lead counsel in this case, was

retained in this matter recently, and a 60-day extension would allow counsel sufficient time

to fully examine the decision's consequences, research and analyze the issues presented,

and prepare the petition for filing. Additionally, the undersigned counsel has numerous

other pending matters that will interfere with his ability to file the petition on or before

April 28, 2025.

Wherefore, petitioner respectfully requests that an order be entered extending the

time to file a petition for a writ of certiorari to and including June 27, 2025.

Dated: April 16, 2025

Respectfully submitted,

John P. Elwood

 $Counsel\ of\ Record$ 

Arnold & Porter

KAYE SCHOLER LLP

601 Massachusetts Avenue, NW

Washington, DC 20001

(202) 942-5000

john.elwood@arnoldporter.com

Counsel for Petitioner

4