

Liability Insurance for State/Personal Vehicles

The following outlines the State's current automobile liability insurance coverage for State-owned automobiles or personal vehicles used on state business.

STATE'S INSURANCE PROGRAM

Liability – The State self-insures predictable losses and purchases insurance for catastrophic losses. Coverage is provided for property damage and bodily injury to others (non-State employees). The liability insurance program is administered by Travelers Insurance Company on any automobile licensed to or operated by the State or its employees. Such coverage is deemed adequate by the State and State agencies are not authorized to purchase higher limits for individual employees.

Individuals who wish higher limits may endorse their private auto insurance for extended non-owned liability coverage. This would make their personal auto insurance excess of the State's policy.

PERSONAL VEHICLE USE ON STATE BUSINESS

The following is in response to frequently asked questions on personal vehicle use:

1. When employees use their personal automobile for State business, the employee's insurance provides the primary coverage. However, the State's liability insurance may provide excess liability coverage after all valid and collectable insurance has been exhausted.
2. The State's automobile insurance will not reimburse individuals for deductibles under their private insurance.
3. Individuals who use their personal vehicle for State business on a routine basis should report the same to their insurance company for rating purposes.
4. Any claims involving liability, comprehensive or collision should be reported to the driver's insurance carrier. Claims would be settled between the insurance carrier and the individual. The State insurance would only be involved as outlined in Number 1 above.

Note: The state reimbursement rate for personal use of private automobiles has an insurance cost allocated into the rate.