

The following information was prepared by the Florida Department of Financial Services, Division of Risk Management. This information should assist those who operate vehicles for University business purposes in understanding protections and limitations of the Automobile Liability coverage provided by the State. Please contact UWF Financial Services at (850) 474-3028 if you have any questions about the University's Automobile Insurance coverage.



March 13, 2009

Risk Management's "Top 10 List" of Auto Questions

Our "Top 10 List" of auto questions may not be as funny or famous as David Letterman's "Top 10" lists, but we hope it will provide more useful information to help you "steer clear" of auto-related coverage problems. So—drum roll, please— here we go:

1. What vehicles and situations are covered by the automobile liability coverage provided by Risk Management?

Our coverage pays, on behalf of state agencies, all sums that an agency becomes legally obligated to pay as a result of an automobile accident involving a state-owned vehicle, a vehicle owned by the employee, or a leased or rental vehicle being operated by an employee, agent or volunteer of the agency while in the course and scope of employment or duties and responsibilities. Our coverage is liability coverage and only pays the claims submitted by the other party when the state driver is at fault (negligent) in causing an accident. Our coverage does not pay for damage to the vehicle operated by the state driver (no comprehensive or collision coverage), nor do we provide uninsured motorist coverage. The state agency or the owner (state employee) of the vehicle must collect for damages to their vehicle.

2. I drive my personal vehicle on state business. Do I still need to maintain personal automobile insurance?

Yes. Risk Management's coverage is liability only, and our monetary limits are \$100,000 per person, \$200,000 per occurrence. Our liability coverage only applies to situations where you are using the vehicle on state business. You may want higher liability limits and/or collision and comprehensive coverage to reimburse you for damage to your vehicle, but in any event, you still need liability and PIP coverage (personal injury protection coverage) to comply with Florida law and cover you when the vehicle is used for personal reasons. Florida law requires you to carry a minimum of \$10,000 of both PIP and property damage liability coverage. We suggest you advise your insurance carrier that you use your vehicle for business purposes and about Risk Management's liability coverage.

3. I transport clients of my agency in my personal vehicle. If they are injured in an auto accident, who pays their medical bills?

Medical bills (as well as lost wages, replacement services and death benefits) incurred by a client would be paid under PIP coverage in accordance with Florida law in the following order:

- a) If the client owns a vehicle in Florida or resides in a household that does, PIP coverage on the client's vehicle would pay first. If not, then*
- b) Your PIP coverage would pay next. You are required by law to carry PIP coverage, but if for some reason this coverage, was not available*

c) The PIP coverage provided by Risk Management would pay next, unless the client is incarcerated by the state, is a ward of the state or is a person whose medical needs are otherwise provided by the state, in which case the agency would be responsible for the medical bills.

4. If I am involved in an accident, can I be sued personally?

Generally, you cannot be sued individually. According to Section 768.28(9)(a), F.S., no officer, employee or agent of the state shall be held personally liable for negligent acts committed in the course and scope of employment unless that person acted in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety or property. For accidents that don't involve these exceptions, the state agency is the liable party.

5. What insurance coverage's should I purchase when I rent a vehicle on state business?

The state's current rental contract is with Avis Rent A Car and per this contract, Avis has agreed to assume all damage losses to rental vehicles specified in the contract. These vehicles include regular cars (sedans) and minivans but not vehicles larger than minivans such as full-size vans and trucks. This means that when renting a truck or any vehicle not specified in the contract or renting any vehicle from another rental car agency, the state agency would be responsible for any damage to the rental vehicle. Therefore, in these situations, we suggest you purchase the collision damage waiver (CDW) or loss damage waiver (LDW) to protect the agency against property damage claims from the rental company when the state employee is not negligent in causing the damage. The Comptroller's Office will approve the purchase of the collision or loss damage waiver. Risk Management would still handle liability claims from the "third party" in collision losses.

6. Our employees have often been asked by the law enforcement officer investigating an accident for our Risk Management policy number. What is our auto liability policy number?

The policy number for each agency is different. You must know your four digit "agency code" number to determine your policy number (DOT is 2600, DOC is 6000, DEP is 2000, etc.). The policy number is: _ "AL", _ the first two digits of the current fiscal year ("02"), and the four digit agency code. So, the current policy number for DOT is "AL-02-2600". The Bureau of State Liability Claims provides agencies with a pamphlet titled "Fleet Automobile Liability Insurance Information," which can be placed in state vehicles. This pamphlet provides useful information about our coverage, safety tips, and information to obtain at the accident scene. This pamphlet also has a place to write the policy number. Call (850) 413-4852 to request copies of this pamphlet.

7. In an automobile accident, explain how claims for property damage are adjusted.

Florida is a comparative negligence state, which means each party is responsible for their own percentage of negligence and the resulting damage. As an example, the state driver and the other party were equally negligent in causing an accident. Damages to the state vehicle were \$2,000, while the other party sustained damages of \$1,500. The state would owe \$750 to the other party while the other party, would owe the state \$1,000. Risk Management would pay the \$750, but the agency would have to collect the \$1,000 from the other party (or the other party's insurance carrier).

8. If Florida is a "no-fault" state, can the state be sued for bodily injuries sustained by a person in an auto accident?

Yes, but only if the injured party meets certain threshold requirements. The injured party must sustain: a) significant and permanent loss of an important bodily function; b) permanent injury; c) significant and permanent scarring or disfigurement; or d) death.

9. What should state employees do following an accident?

Always have the accident investigated by a law enforcement officer, regardless of how minor it seems. Report the accident immediately to your supervisor in accordance with agency procedures. Do not discuss the details of the accident with anyone except the investigating officer. Obtain information about the other driver(s) from the investigating officer. Get the names, addresses and phone numbers of any witnesses. Do not promise anything to the other driver(s), such as to fix their car, furnish a rental car, etc. Make sure someone at the agency notifies Risk Management.

- 10.** I drive a state-owned vehicle, but there are times when I am not using the vehicle “in the course and scope of employment.” Does Risk Management provide liability insurance coverage in those instances?

No. We can only provide liability coverage when the vehicle is used for official business or “in the course and scope of employment.” You should check with your employer about liability insurance in those instances when you are using the vehicle outside the course and scope of your employment. You may have to purchase a non-owned automobile endorsement from the carrier.