

Driver Selection: Motor Vehicle Records

Please route to:

- Owner
- General manager
- Sales manager
- Service manager
- Office manager

Vehicle accidents can cost you money, lots of money in lots of different ways — physical damage to your vehicle or third-party vehicles, bodily injury claims, workers' compensation claims and legal defense costs. Negligent entrustment — giving or entrusting your vehicle to a person who is incompetent or cannot operate the vehicle safely — is becoming a significant exposure. In some states, court-awarded punitive damages are not insurable and would be paid by you. It's easy to see that hiring the best and safest drivers available is a sound management decision, and an excellent loss prevention practice.

Selecting good drivers is the first and most critical element of a vehicle loss prevention program. Statistics have proven that drivers with a history of moving violations and vehicle accidents are more likely to have additional accidents. Research conducted by the American Transportation Research Institute indicates that drivers who have had a past crash have a significant 88 percent increase in their likelihood of a future crash.¹

The first step in evaluating a prospective employee's driving record is to verify that the individual has a current, valid driver's license. Next, a Motor Vehicle Record (MVR) for the previous three years should be obtained from each state where the driver holds a license in accordance with applicable laws. If the person has a Commercial Driver's License (CDL), they can only be licensed in one state. There are several methods by which an MVR can be obtained. The prospective employee can be required to supply their own MVR and turn it in with their application. The state agency responsible for these records can also be contacted directly to obtain this information. Vendors offer a third option. There are some vendors that can, for a fee, obtain MVRs within hours.

Once it has been obtained, evaluation of the MVR is very important. Management should establish criteria for evaluating potential drivers' records as part of the screening process. Bear in mind when developing this criteria that it must be applied uniformly throughout the organization for all drivers. Many companies follow "point systems" similar to those developed by some state agencies. A number of points are assigned to violations and they accumulate for a three year period. A designated number of points should trigger predetermined corrective measures. The following is a guide for determining the severity of some violations:

Not a customer?

For more information about Zurich's products and Risk Engineering services, visit www.zurichna.com/automotive or call us at **800-840-8842 ext. 7449**.

Already a customer?

Contact your Zurich Account Executive or agent for information about additional Zurich products and Risk Engineering services.

Loss prevention information

For questions about this loss prevention topic, contact the Zurich Risk Engineering Department at **800-821-7803**.

Violations that present a substantial liability exposure:

- Driving under the influence of alcohol or drugs
- Any license revocation or suspension
- Reckless driving where bodily injury or property damage results
- Hit and run

Other violations that present liability exposure include:

- Speeding
- Failure to yield right of way
- Driving too fast for conditions
- Operating an unregistered vehicle
- Using false registration or license
- Driving while license is under suspension

Conducting the pre-employment MVR check is a good first step, but it should not be the last time the employee's MVR is reviewed. Driving records and habits can change quickly, so it's a good idea to check MVRs as often as every three months, but not less than once each year. It is important to monitor employee driving habits to ensure that drivers maintain a safe driving record. A deteriorating driving record may indicate the need for additional training, counseling or suspension of business related driving privileges.

One word of caution: seek legal advice prior to implementing an MVR program to ensure compliance with all local, state and federal laws pertaining to the use of MVRs and other "personal information" in hiring practices.

1 "Predicting Truck Crash Involvement: A 2011 Update" 2011.
American Transportation Research Institute

Zurich

1400 American Lane, Schaumburg, Illinois 60196-1056
800 382 2150 www.zurichna.com

The information in this publication was compiled from sources believed to be reliable for informational purposes only. All sample policies and procedures herein should serve as a guideline, which you can use to create your own policies and procedures. We trust that you will customize these samples to reflect your own operations and believe that these samples may serve as a helpful platform for this endeavor. Any and all information contained herein is not intended to constitute advice (particularly legal advice.) Accordingly, persons requiring advice should consult with independent advisors when developing programs and policies. We do not guarantee the accuracy of this information or any results and further assume no liability in connection with this publication and sample policies and procedures, including any information, methods or safety suggestions contained herein. We undertake no obligation to publicly update or revise any of this information, whether to reflect new information, future developments, events or circumstances or otherwise. Moreover, Zurich reminds you that this cannot be assumed to contain every acceptable safety and compliance procedure or that additional procedures might not be appropriate under the circumstances. The subject matter of this publication is not tied to any specific insurance product nor will adopting these policies and procedures ensure coverage under any insurance policy.