

Insurance and the Use of Personal Vehicles While On County Business

Employees often use their personal vehicles when conducting county business. To reimburse employees for the cost of operating their vehicle, the federal government sets a mileage reimbursement rate for fuel, wear and tear and insurance

Sometimes, an inaccurate assumption has been made that coverage is being provided through the Colorado Counties Casualty and Property Pool (CAPP) for employee vehicles. However, vehicles must be owned or leased by the CAPP member county and used for county business in order to be insured through CAPP.

In general, when a county employee uses a personal vehicle while in the scope and course of their duties for the county:

- The employee's auto insurance is the primary insurer for liability and property damage Liability (not property) coverage through CAPP may be available after the insured's primary liability policy limits are expended.
- Under recent case law, the defenses and liability limits of the Colorado Governmental Immunity Act may be applicable when a personal vehicle is used in the scope and course of county business.

- The at-fault vehicle's auto insurance is the primary insurer for property damage and medical costs for injuries to others. For non-employees, each person is responsible for their own medical costs until a determination of liability is established. For employees, workers compensation coverage may apply.

What This Means For Counties

Prior to employees using their own vehicles or personal property for county purposes, the county should have them sign an Employee Notification Form Regarding the Use of Personal Vehicles and Property for County Purposes. This form can be found in the CWCP & CAPP Operations Manual, Section 7-CWCP & CAPP General Insurance Issues, Page 8.

For more information, contact CTSI at 303-861-0507.