

Traveling in a State vs. Personal Vehicle

It is important to understand agency and driver requirements and responsibilities when using a state or personal vehicle prior to operating of any vehicle for official state business. This includes understanding the differences between state and personal vehicle insurance coverages, liabilities, and allowable activities within Oregon's statutes, administrative rules, and agency policies. Knowing and understanding these rules, policies, and coverages, will help ensure agencies and drivers avoid violations when using a state vehicle for conducting state business.

Risks to Agency and Employees

- Public and employee(s) personal injury or death
- State property damage, repair or replacement costs
- Third-party property damage
- Personal Insurance Liability for injuries or damages caused by a personal vehicle.
- Personal Liability for injuries or damages caused by unauthorized use of a state vehicle
- Agency risk charge increases and imposed vehicle restrictions.



Insurance Coverage

State Owned Vehicle Coverage

Property Coverage — Coverage is available for damage under the state's [Property Self-insurance Policy Manual 125-7-101](#), subject to all terms and conditions.

Liability Coverages — Coverage is available for agencies and authorized drivers approved to drive a state vehicle to conduct official state business under the state's self-insurance [Agency Liability Policy Manual 125-7-201](#) and [Employee Liability Policy Manual 125-7-202](#).

Uninsured and Underinsured Motorist — Coverage is available under the State Self-Insured Employee Liability Policy Manual. Further clarification of liability coverage while traveling is provided in the [State Business & Travel Status Policy Manual 125-7-501](#).

*Note: Drivers must contact DAS RM to arrange coverage prior to any state vehicles driven in locations outside of the United States, its possessions and territories, and Canada.

Workers' Compensation Coverage — Employee injuries caused by vehicles or related to the approved operation of a vehicle while conducting official state business as an official duty at the state's direction and control is covered by [workers' compensation](#).

Personal Vehicle Coverage

Personal Vehicle Insurance Coverage Requirements — Personal vehicle liability insurance coverage shall be maintained in accordance with [ORS 806.070 – 806.140](#) whenever using a personal vehicle for official state business. Drivers are responsible for providing proof of legally adequate private insurance when using a personal vehicle for official state business.

Reporting a Vehicle Incident or Damage

The Oregon Administrative Rules (OARs) [Chapter 125-155 — State Vehicle Access and Use](#) requires Drivers to promptly report to their agency all vehicle collisions or damage occurring to any vehicle while on official state business. After a report is received, agencies must review each report involving any vehicle used on state business. **The review must:**

- Determine whether the collision or damage was caused by unsafe driving techniques
- Address driver accountability
- And make recommendations to prevent recurrence as appropriate

Agencies must [report to DAS RM](#) all damage occurring to any state-owned vehicle resulting in total damage costs exceeding the agency self-insurance property deductible. These reports must be made as soon as possible after you become aware of them. Delayed reporting to DAS after 90 days may result in the claim being denied coverage.

RiskWise



A Guide to Controlling Risk

Traveling in a State vs. Personal Vehicle

- Risks to Agency and Employees
- Insurance Coverage
- Reporting a Vehicle Incident or Damage
- How Vehicle Insurance Coverages Are Applied
- State Business vs. Personal Business Vehicle Use
- Allowable Activities in a State Vehicle
- Personal Vehicle Mileage Reimbursement
- Additional Resources, Links and Information

How Insurance Coverages Are Applied

State Vehicle on State Business — The state’s self-insurance policies provide the primary coverage for any liability, damages, and injuries that may occur when a state vehicle is used for official state business in accordance with the state vehicle use and access rules (OAR 125-155), along with state and federal vehicle laws. If an employee is injured, Workers’ Compensation coverage would also apply.

State Vehicle on Personal Business — unless covered as an allowable activity as described in OAR 125-155, use of a state vehicle for personal business is prohibited. Any injury or damage that occurs from an unauthorized use of a state vehicle is at the personal liability and risk of the driver.

Personal Vehicle on State Business — The personal vehicle owners insurance provides the primary coverage when a personal vehicle is used for official state business in accordance with OAR 125-155, along with state and federal vehicle laws. The state’s self-insurance liability coverage may provide excess coverage beyond the personal vehicle insurance. This excess coverage excludes damages to the personal vehicle.

Personal Vehicle on Personal Business — The state’s self-insurance coverages do not apply for incidents in a personal vehicle that occur while on personal business.

When a personal vehicle is used contrary to the state vehicle use and access rules, the driver and vehicle may not have access to state insurance policies for excess coverage.



State Vehicle	Risk/Liability
On State Business	State is primary
On Personal Business	Driver is primary
Personal Vehicle	Risk/Liability
On State Business	Driver is primary/ State may be secondary
On Personal Business	Driver is primary

When a state owned, rented, borrowed, leased, or personal vehicle is used contrary to state vehicle rules or state/federal law, use of the vehicle will be considered personal use and the driver and vehicle may not be covered by state insurance. The driver may be personally liable to the state for the value of the use of the vehicle, any damage to the vehicle, or harm to other parties or property arising out of the misuse. The driver may also be subject to discipline or penalty of any kind provided by law, contract, rule, policy, or guideline.

State Business vs. Personal Business

"Official state business" or "state business" means any activity directed and controlled by a state agency to advance the lawful policies and purposes of the agency.

Examples: Driving to a state business related meeting downtown. Driving to a fuel station to refuel a state vehicle so that it is ready for the next state business related trip. Picking up supplies from a local store that are being purchased for state business.

"Personal use" or "Personal business" means anything other than official state business.

Examples: Going to pick up a friend from the local airport who needs a ride home. Using a vehicle during a break to drop off another co-worker so they can pick up their personal vehicle at the local mechanic shop. Delivering a loved one a present across town.

Simply put, state vehicles cannot be used for personal business. When a state vehicle is used for unauthorized reasons, the driver is putting themselves at personal risk and liability for any incident, injury, or damage that occurs, as well as potential disciplinary issues for violation of state vehicle rules. Unless exception is specially allowed by the state vehicle rules, personal use of a state vehicle is prohibited. The next section details some of the exceptions which are secondary to when official state business is already being conducted.

Allowable Activities in a State Vehicle

State law requires a narrow interpretation of "Official State Business", and prohibits use of a state vehicle for any purpose except for official state business as defined in [ORS 283.305](#) and by rule of the Oregon Department of Administrative Services — OAR 125-155. While these rules don't allow for personal use of a state vehicle, they provide clarification of when and how business of a personal nature may reasonably coincide with official state business. These are considered to be allowable activities.

"Allowable Activities" means actions essential to everyday life. These activities must occur within the local vicinity or while en-route to conduct official state business. These activities may only occur while conducting official state business for day use, overnight use or full time use. For overnight and full time use, allowable activities are reasonably expanded to include more personal business types of activities.

In all designations of use, only [authorized passengers](#) may be transported with supervisory approval.

Allowable Activities in a State Vehicle (Continued)

Below are some key definitions related to allowable activities in a state vehicle found within OAR 125-155:

In General

- State vehicles shall be used for official state business and not for any personal purposes.
- Must be acting in course and scope of employment or duties, with prior supervisory approval.

Day Use

"Day Use" means use of a vehicle during a normal shift conducting both routine and non-routine duties related to official state business.

- Travel between home and the driver's duty station during day use is prohibited.
- Necessary state business may coincide with a personal purpose. Example: Purchasing food and/or eating, taking a rest break, or using restroom facilities within a reasonable route of state business being conducted.
- Personal benefit and use alone is not allowed.

* While using a personal vehicle for personal business, the vehicle's private insurance is the primary coverage during any category of travel. State self-insurance coverage is not available for any personal use of a privately owned vehicle.

* When practical, a state vehicle parked at a home or hotel must be located off public streets in a reasonably secure setting.

Overnight / Full Time Use

"Overnight use" means the driver is traveling in a state vehicle on official state business to a location or for a purpose that requires one or more overnight stays.

"Full time use" means the driver is assigned a state vehicle virtually all day and every day for the conduct of official state business.

- For long-term or full time assignment of a vehicle to home, the agency must complete a [cost-benefit analysis](#).
- After-hours "Call-outs" must actually occur with justifiable frequency; the possibility of being called-out is not sufficient to justify full time assignment.
- Overnight or full time use of state vehicles allows for an employee's daily necessities within the local vicinity of the direct travel route or overnight assignment location during reasonable hours for activities such as:

- ✓ Allowable activities under day use
- ✓ Grooming, shopping, and laundry facilities.
- ✓ Medical appointments.
- ✓ Recreation and fitness.
- ✓ Visit friend or relative's homes in the area.

Personal Vehicle Mileage Reimbursement

Mileage Reimbursement is allowed for approved travel on official state business using the most direct route as defined by the DAS Chief Finance Office [Oregon Accounting Manual](#), Chapter 40. It does not necessarily include mileage for the actual miles driven or detours a driver takes for personal business. If the distance is calculated from a driver's home to the official state business destination, reimbursement is minus their normal commuting distance to their primary workstation.

Pursuant to [ORS 292.250](#) the state cannot pay an employee for damage to an employee's vehicle, any insurance deductibles, or increased insurance rates due to an accident occurring while on official state business. Mileage reimbursements are the only amounts the state may pay to any employee for using a personal vehicle to for state business. The Mileage Reimbursement available to eligible drivers is the federal rate which include costs beyond fuel alone, such as maintenance, wear and tear, and personal insurance requirements. Reimbursement rates are a two tiered schedule based on the [\(GSA\) model](#) – with a full and a reduced rate. Your personal vehicle insurance is entirely reimbursed as part of state mileage rates.

Additional Resources, Links and Information

DAS Risk Management Resources:

- [Vehicle Use and Access Tool Kit](#)
- [Vehicle Use and Access FAQ](#)
- [Vehicle Use and Access iLearn Webinar/Training](#)



[\[https://www.oregon.gov/das/Risk/Pages/PubsToolsRes.aspx\]](https://www.oregon.gov/das/Risk/Pages/PubsToolsRes.aspx)

DAS RISK MANAGEMENT

www.oregon.gov/das/Risk/Pages/index.aspx

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