

Career Issues Affecting Your Future...

Public Service Memo

By
John E.
Hunt, Jr.,
CPCU

Executive Chairman
Star & Shield
Group

You are backing out of the parking spot at the 7-11 after a quick stop on your way home after work in your assigned "take-home" squad car, when suddenly, a little girl rides her bike out behind you and you hear the crunch... ARE YOU INSURED?

These days we take a lot for granted. When we climb in the assigned "take-home" car and head to work, spend the day on assigned duties, log out at night and head home, we assume the agency (city, county, state) insurance is covering us—public liability, workers' compensation, automobile liability. Of course, the agency has the insurance in force. **But—does it always cover you?**

Public agency insurance for vehicles has become a big issue with the tight economy and increasing commercial premiums. Many agency risk managers are realizing that they have vehicles assigned to employees and officers that may not provide liability coverage at all times to the assigned driver.

What the heck does that mean?

Many public agencies' insurance and self-insurance programs only cover the agency vehicles while being used on agency business. They do NOT extend special liability coverage to the driver nor do they cover the driver if the vehicle is being used while not on duty or not on-the-job use. Regardless of agency permission or policy about how or when you can drive the vehicle after logging off duty, the insurance on the vehicle may not be covering you—the driver.

At the same time, most individual Florida private passenger auto insurance policies exclude coverage for "Any vehicle... which is furnished or available for your regular use" other than the vehicle on your policy—meaning any vehicle regularly furnished to you or assigned to you that is provided for your regular use **is EXCLUDED from your personal auto policy liability coverage**.

Now, some private passenger auto liability insurance companies *MAY* allow you to add an endorsement known as "Extended Non-Owner Liability." For an additional premium charge, this endorsement provides liability coverage for *YOU* while driving the regularly furnished or assigned vehicle. But not all companies do, not all companies will, in fact, many will NOT offer this endorsement when they learn the assigned take-home vehicle in question is a marked law enforcement or fire-rescue vehicle.

This is the dilemma: The agency wants you to take your assigned vehicle home (A) as a convenience, (B) to lengthen the life of the vehicle by having one responsible

driver assigned to it, (C) have the assigned driver responsible for keeping the vehicle clean, neat and properly repaired. For the agency, it also creates an impression of broadened law enforcement presence in the community and it reduces the parking area needs for personal vehicles when the duty vehicles are on the street. But at the same time, when you log off duty and head home, or head in to work, or stop and pick up a bag of groceries on the way home, or drop your child off at school on the way to work, *it's at your own risk* as the agencies' insurance may be covering the vehicle but *not you while you are driving it*.



So what are the alternatives?

There aren't many.

1. Stop sending assigned vehicles home (not practical or likely);
2. Extend the agencies' commercial auto insurance (not likely);
3. Require everyone with take-home cars to purchase Extended Non-Ownership Auto Liability from their auto insurance provider (most realistic).

How do I go about getting covered?

First, call your personal auto insurance carrier or agent and discuss your take-home/assigned vehicle issue with them. Ask them if they offer the endorsement and what they will charge you to add it. Then request that they add the "Extended Non-Owner Liability" endorsement and send you a copy.

There is a company that offers the extension for law enforcement, corrections and fire-rescue personnel. STAR & SHIELD INSURANCE EXCHANGE includes the "Extended Non-Owner" coverage within its auto policy as part of its standard form and does not make a charge for the coverage. Star & Shield Insurance Exchange is a new personal home and auto insurance carrier in Florida developed exclusively for law enforcement, corrections, fire-rescue and EMS communities and is open to active and retired officers, credentialed volunteers, employees of the law enforcement, corrections and fire-rescue agencies and families. There may be other companies that offer this coverage, so you should discuss this coverage further with your agent or insurer. ■

"I don't know what your destiny will be, but one thing I do know: the only ones among you who will be really happy are those who have sought and found how to serve."

~ Albert Schweitzer



TALLAHASSEE DEMOCRAT

Crist: Budget will not include layoffs, pay cuts for state workers

By Bill Cotterell, Florida Capital Bureau • January 27, 2010

Gov. Charlie Crist said today the state budget he sends to the Legislature late this week will not call for state employee layoffs or pay cuts.

Addressing news editors from across Florida at the annual Associated Press conference, Crist said "The economy is everything" in the 2010 legislative session, which convenes on March 2.

He said that for the first time in his administration, state budget director

Jerry McDaniel will have more tax money to work with than the state took in last year—although growing needs in education, prisons, transportation and other budget categories are expected to more than consume the revenue growth.

He didn't go into personnel details but, as he left the conference, Crist was asked if the budget he discloses on Friday will require layoffs of state employees.

"I don't think so, I don't," said Crist. He said furloughs and pay cuts can be avoided "by smart-funding our entire budget. I think that after Friday you'll see that Jerry McDaniel has done a tremendous job of making sure that we have a balanced budget that does live within our means and does not require layoffs."

Some legislative leaders have said state budget constraints might force lawmakers to make all employees—

including senior managers and legislators themselves—pay monthly health-insurance premiums. About 27,000 state employees, including elected officers and Selected Exempt and Senior Management Service workers, have state-paid insurance.

"I don't anticipate that either," Crist said, when asked about insurance changes. "We're going to keep the current health insurance... the way it is."