RISK CONTROLS (PROGRAM INFORMATION):

Use of District vehicles (owned, non-owned, and leased) is one of the largest liability exposures for school districts and community colleges. Typically, incidents involving District vehicles result in 33% of the total number of liability claims and 14% of the total liability claim cost. Most school districts and community colleges concentrate their fleet safety efforts on school bus safety and school bus driver qualifications. However, a large portion of auto liability claims occur while other employees are operating other District vehicles.

Employer Pull Notice (EPN) and Driver License Printout (MVR) Programs are two Risk Management tools available to help Districts and Community Colleges manage the quality of drivers operating owned, non-owned, and leased vehicles.

Although both administered by the DMV, these are in fact two separate programs.

The EPN Program – also known as the DMV Pull Program is for employers and regulatory agencies only. School districts are required to be enrolled in the EPN if they have employees driving buses, 15 passenger vans, or transporting hazardous materials*. Most of them are enrolled, but there are undoubtedly some that are not who should be. Districts get a requester code from the DMV and the code is attached to the driver license of each employee the District lists as a driver on their behalf. It is up to the District to keep that list current. The DMV then provides the District a driver record:
  • When the District first enrolls an employee
  • Annually thereafter; from the date of enrollment
  • When the driver has any of the following added to their record: conviction, failure to appear, accidents, suspensions, revocations, any other actions taken against the driving privilege.

In addition to the mandatory enrollees mentioned above, the DMV will also allow a District to enroll non-mandated drivers as long as they are frequent drivers, have signed a waiver (form INF1101 or internal document with similar language) which must be maintained at the employees worksite, and have an employer/employee relationship with them (the DMV has told some members that this last stipulation rules out volunteers, although it may be worth looking into, given the fact that volunteers can be - with an appropriate board policy – covered for Comp).

Obviously if a District does enroll non-mandated drivers in the EPN, it should have a written policy about what number or type of ‘points’ would disqualify a driver. If it does not have such a policy, then there really is no point for a District to either enroll in

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the EPN or in fact get involved in the MVR program either. The absence of a policy could also result in a liability exposure on discrimination or privacy grounds. We suspect unfortunately that many Districts have not established disqualification rules.

Providing they have a disqualification policy, using the EPN is a District’s best practice. For one thing, it is free. The program does have problems however:

- The inability to get records for volunteers.
- Long lag times between notifying the DMV of a new driver and getting the first report. Three weeks is about the average. This really slows down the hiring process and many clients as a result ask prospective employees to get their own DMV record before an offer can be made.
- There has been some grumbling about DMV discontinuing the program; in fact the Shasta office tried to earlier this year. It may be only a matter of time.
- Records are provided in hardcopy unless special arrangements have been made for electronic response methods.
- Interacting with the DMV – enrolling new drivers, removing old employees, dairying requests, etc., is an administrative burden. The on-line capability and relative immediacy of the MVR program can be appealing as a result.
- There are strict privacy rules, as there are with MVRs too. It is just that the amount of hard copy involved increases the likelihood that a piece of information will be left lying around.

The MVR Program allows commercial entities to establish an account with the DMV in order to obtain driver license printouts upon request. Although it is technically possible for an entity to interface directly with the DMV, the DMV themselves strongly recommend using a vendor. Prices will depend on volume, response type and depth of information. Districts would possibly use the MVR option if it were available to complement their EPN program, especially for their volunteers (and possibly non-mandated drivers). They may even see it as a full alternative given the problems with the EPN mentioned above.

Many brokers and insurance companies have established MVR accounts as a value-added service to their clients. They would, however, have had to declare a legitimate purpose for requesting the information and pure customer service is not one of the listed permissible uses. Claims investigation or anti-fraud activities, rating or underwriting are the permitted uses for insurance purposes. Once again, as with the EPN program, there would be little value to a District in utilizing an MVR option if they it had not established disqualifying criteria. The Keenan managed Pools have no disqualification criteria; coverage is based upon vehicles not drivers.

There could be a potential exposure for a District utilizing an MVR option if they had no procedures for doing anything about a negative report. What would be their response if, after a serious accident caused by a driver whose MVR indicated significant problems, they were asked why they had known but allowed him/her to drive. In addition, there are significant privacy issues for any District to consider before using an MVR service; employee waivers will need to be signed.

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Unlike the EPN program with their automatically generated reports, nothing is automatic with the MVRs; each one requires going through the request process and will have to be put on diary for the following year, or probably more often. Tracking driver turnover, signed waivers and required record destruction for large employee groups is no easy task.

Rather than use an MVR service, some Districts require their volunteers and non-mandated drivers to get their own MVR in to the District as a condition of employment or being approved as a volunteer. In fact, non-mandated drivers could be enrolled in the EPN program, but there is a delay in getting the information and that leads to logistical problems in the hiring workflow. Once again, a District requiring MVRs will have to have policies establishing timeframes, disqualification criteria and privacy-ensuring protocols.

* Starting January 31, 2005, new federal regulations require a person who is applying for a California commercial driver license with an original Hazardous Materials (HazMat) endorsement to undergo a security threat assessment. The USA Patriot Act requires the Transportation Security Administration (TSA) to complete a security threat assessment (background records check) before the Department of Motor Vehicles issues a HazMat endorsement.

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