

# RiskTopics

## Motor vehicle record (MVR) criteria

Studies show a correlation between past driving performance and future vehicle crash involvement. Drivers who have experienced moving violations and crashes are more likely to be involved in future vehicle crashes.<sup>1, 2</sup>

### Introduction

Obtaining and reviewing a current motor vehicle record (MVR) for the driver can help the company determine whether you want the driver operating a vehicle for your company. This assessment process ought to apply to anyone operating company vehicles, as well as those operating their personal vehicles for business use. The company itself needs to take ownership over their driver qualification program and establish evaluation procedures. Reliance on others, such as your insurance broker/company, to order and evaluate MVRs, is generally not sufficient. Of course, for any DOT-regulated drivers, a copy of the MVR must be maintained in the driver file and third parties may not be able to provide the actual MVR due to privacy limitations. Equally important, you will want to proactively screen and coach drivers based on your company criteria; a “yes/no” indication from a third party is not enough.

MVR information is maintained by each state and can often be obtained either directly from the state or from MVR vendor companies. (Please see Zurich’s Risktopic on “Obtaining motor vehicle records” for more detailed information.) These vendors can provide “continuous monitoring” for all drivers (See **Continuous Monitoring** below for additional information.) For all new drivers, consider ordering MVRs for each state in which the applicant has held an operator’s license in the previous three years. MVR checks should go back at least five years in total and be used as part of the overall driver selection program. In addition to new driver checks, MVRs may be continuously monitored or, at a minimum, should be ordered and reviewed annually for all drivers. Drivers identified as having driving violations or collisions need to be flagged for more frequent MVR reviews and other interventions.

Studies have shown a correlation between past driving performance and future vehicle crash involvement. Drivers who have experienced moving violations and crashes are more likely to be involved in future vehicle crashes.<sup>1,2</sup> An important function in any organization is to determine what constitutes an “acceptable” driving record. Once acceptable driver criteria have been established, all drivers should be informed of the policy, acknowledge their understanding of it, and management should follow the criteria fairly and consistently.

Failure to properly choose acceptable drivers raises the potential for a claim of Negligent Entrustment. Negligent entrustment claims arise when an unlicensed, incompetent, or reckless driver causes damages while driving a motor vehicle owned by someone else. (Please also see Zurich's Risktopic on "Negligent entrustment" for more detailed information).

## Discussion

### Developing an evaluation criteria

There are many considerations when developing the criteria for evaluating motor vehicle records and these may vary depending on the type of vehicle being driven, location and other factors. Some of these include:

- Department of Transportation regulations
- Other jurisdictional requirements (e.g., applicable state-specific guidance)
- Union/labor agreements
- Contractual obligations
- Industry best practices
- Advice from legal counsel or insurance representatives

Organizations should work with their own legal counsel to address these considerations and to help ensure that the evaluation criteria meet your needs and any insurance requirements.

## Guidance

### Reviewing the motor vehicle record

Please note that the definitions of minor, major and serious incidents are provided as examples of some of the more common violations. There are many more violation types that are not included here that an organization may need to consider based on severity.

*Vehicle crashes* – How many vehicle crashes / collisions occurred within the past 3 years? \_\_\_\_\_

- Vehicle crash – any crash that appears on the MVR; consider both at-fault and not-at-fault crashes

*Minor incidents* – How many "minor incidents" occurred within the past 3 years? \_\_\_\_\_.

- Minor incidents include minor moving violations, such as minimal speeding (<15 mph over the speed limit), failure to stop at a stop sign, improper passing, improper backing, failure to pay toll, etc.

*Major incidents* – How many "major incidents" occurred within the past 3 years? \_\_\_\_\_.

- Major incidents include major moving violations, such as excessive speeding (between 15 mph to 25 mph over speed limit), improper lane change, failure to yield, running red lights, careless driving, texting while driving, etc.

*Serious incidents* – How many "serious incidents" occurred within the past 5 years? \_\_\_\_\_

- Serious incidents include severe moving violations, such as driving while intoxicated (DUI, DWI), refusing substance abuse testing, homicide or assault with a vehicle, leaving the scene of an accident (hit and run), eluding a police officer, any vehicle-related felony, drag racing, reckless driving, speeding 25 mph or

greater over the speed limit, license suspension due to moving violations, driving while license suspended, etc.

### **Evaluating the motor vehicle record - Acceptable driver guideline**

Consider the guidelines that your organization should apply to determine whether an MVR demonstrates an acceptable driving history. For example, a driver may be deemed acceptable if, in the past 3 years, they had:

- 3 or fewer minor incidents and no crashes or other violations of any type **OR**
- 1 vehicle crash and no violations of any type **OR**
- 1 major incident plus 1 minor incident and no crashes or violations of any type **AND**
- No serious incidents in the past 5 years

See 'Action Steps' section below for suggested actions to help address drivers who do not meet the acceptable criteria.

The sample Motor Vehicle Record Evaluation Worksheet in Appendix A included in this Risktopic may be useful in reviewing driver records.

### **Review examples**

*Example 1:* If a driver had two minor incidents in the past three years, no major incidents in the past three years, no serious incidents in the past five years, and no crashes in the past three years, he/she would be an acceptable driver according to the driver MVR criteria shown above.

*Example 2:* A driver could have no minors, majors or crashes in the past three years, but if they had one serious event in the past five years, then they would not be in the acceptable driver category according to the acceptable driver MVR criteria.

### **Additional considerations**

Our example program evaluates most violations for the prior 3 years but includes “serious incidents” from a longer 5 year period. We do this because serious incidents are well-correlated to increased crash risk for the longer time period. Additionally, if the driver is involved in a subsequent crash, claimant attorneys likely will point to these past serious driving violations when arguing Negligent Entrustment, which may result in larger settlements and jury awards.

In addition to minor incidents, major incidents, serious incidents and crashes, organizations may consider non-moving violations (e.g., illegal parking, vehicle defects, driving without insurance, unregistered vehicle, administrative suspensions) as a part of the overall driver evaluation criteria. Such violations may indicate a driver's tendency to disobey company policies and rules.

Employee selection processes, especially for employees who may drive, should also contemplate information available beyond the motor vehicle record, such as interview results, road tests and the Pre-Employment Screening Program abstract (for commercial drivers). See Zurich's RiskTopics on “Driver Selection” and the “Pre-Employment Screening Program (PSP)” for additional details.

## Continuous Monitoring

Several states and vendors provide “continuous” MVR record monitoring. The timeliness of the information available varies by state – some report violations in real time and others report at regular intervals.

Continuous monitoring provides “push” alerts from the monitoring service rather than depending on your drivers to alert you to violations or wait until the yearly MVR is run. They also provide other services based on driving records that provide insight into driver risk. Ask your Zurich Risk Engineering representative for more information and pricing discounts from our vendor service provider.

## Action steps

Any organization should have written policies to address any drivers who do not meet the acceptable criteria. These policies may include retraining and progressive discipline, up to and including rescinding of driving privileges or termination. A driver who has their driving privileges revoked by an organization may continue to work in a non-driving capacity for that organization if business needs and policies allow for this. Keep in mind that additional training and coaching may also be appropriate for drivers who are considered acceptable, but have a pattern of violations on their motor vehicle record.

## Conclusion

Motor Vehicle Records are an important part of any fleet safety program. The information they provide is a critical component in driver selection and evaluation. Organizations that review and consider the driving record of the individuals who will drive on behalf of the company can help take a first step towards improved road safety and fleet risk management.

## References

1. *Predicting Truck Crash Involvement: Developing a Commercial Driver Behavior-Based Model and Recommended Countermeasures*. American Transportation Research Institute (ATRI). 2011. Web. 20 June 2016. <<http://www.atri-online.org/research/results/One-Page%20CMVE.pdf>>
2. Gebers, Michael A. *Strategies for Estimating Driver Accident Risk in Relation to California's Negligent Operator Point System*. California Department of Motor Vehicles Research and Development Branch. Technical Monograph 183. California Department of Motor Vehicles. July 1999.

# Appendices

## Appendix A

### Motor Vehicle Record Evaluation Worksheet\*

Driver Name \_\_\_\_\_ Date of MVR Review \_\_\_\_\_ Reviewer Name \_\_\_\_\_

Violation	Points	# of Violations	Total Points	Notes
<b>Violations within previous <u>5 years</u> (Serious)</b>				
Driving while intoxicated (DUI, DWI)	4			
Refuse drug/alcohol test	4			
Homicide or assault with a vehicle	4			
Leaving the scene of a crash (hit and run)	4			
Eluding a police officer	4			
Any vehicle related felony	4			
Drag racing	4			
Reckless driving	4			
Speeding 25 MPH or greater over the limit	4			
License suspension due to moving violations	4			
Driving while license suspended	4			
Other serious violation	4			
<b>Major violations within previous <u>3 years</u></b>				
Speeding 15 MPH to 25 MPH over the limit	2			
Improper lane change	2			
Failure to yield	2			
Running red light	2			
Careless driving	2			
Texting while driving	2			
Other major violation	2			
<b>Minor violations within previous <u>3 years</u></b>				
Speeding <15 MPH over limit	1			
Failure to stop at stop sign	1			
Improper passing	1			
Improper backing	1			
Distracted driving (other than texting)	1			
Failure to pay toll	1			
Other minor violation	1			
<b>Vehicle collisions within previous <u>3 years</u></b>				
Vehicle collision	3			
<b>TOTAL VIOLATION POINTS</b>				

4 points or more – High Risk	2 – 3 points – Medium Risk	0 – 1 points – Low Risk
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Sample – provided for illustration purposes only.

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