



WISCONSIN DEPARTMENT OF  
ADMINISTRATION

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**DISTRIBUTED ELECTRONICALLY**

Date: December 21, 2004

To: Agency Administrative Officers  
Agency Fleet Managers  
Agency Risk Managers  
Risk Management Council

From: Patrick J. Farley   
Division Administrator  
Division of State Agency Services

Re: Policy on vendor contractors driving state vehicles

Although the Division of State Agency Services does not encourage the use of state vehicles by vendor contractors, we recognize that there are circumstances when vendor contractors driving state vehicles may be in the best interests of an agency in carrying out its business functions. In such cases, the vendor contractors must provide primary auto liability coverage for their employees driving state vehicles because those non-state employees are not protected under the State's self-funded liability program.

The Certificate of Insurance provided by vendor contractors who have employees driving state vehicles must verify that the vendor contractors' auto liability policies provide primary coverage. The Certificates must state, **"Auto liability insurance is 'primary' for liability assumed under the contract with the State of Wisconsin while driving state vehicles. The State of Wisconsin is named as additional insured with respect to auto liability assumed under the contract while driving state vehicles."** The Certificates must also name the State of Wisconsin as certificate holder. The Certificate of Insurance attesting to the required insurance coverage must be on file with the agency BEFORE the vendor contractor's employees may be considered for approval to drive state vehicles. Further, the Certificate must be kept current and be updated at least annually.

A sample Certificate of Insurance is attached to this memo as an example of the language and limits that a proper Certificate of Insurance should contain.

If you have not already done so, please compile a list of those vendor contractors that your agency is currently using whose employees will be driving state vehicles and forward the list to me. If we determine from the lists that your agency is the only one using a particular vendor contractor whose employees will be driving state vehicles, your agency will be responsible for obtaining the proper Certificate of Insurance. Attached is a sample letter that your agency may use to request the Certificate.

DOA Bureau of State Risk Management (BSRM) will keep the Certificates on file. If and when an agency determines that it will be using a vendor contractor whose employees will be driving state vehicles, the agency should contact BSRM. BSRM will then take that opportunity to discuss with the agency the use of the vendor contractor and explain the other requirements in addition to the need for a proper Certificate of Insurance. For example, the vendor contractor employees who will be driving state vehicles must complete a "Non-State Driver Vehicle Use Agreement" form (DOA-6000, a copy of which is attached to this memo) and meet the minimum driving standards. This will require a check of their driving record. Vendor contractors are also subject to the November 17, 2004, Fleet Driver and Management Policies and Procedures. Agency internal policy can designate the Agency Risk Manager as the "Agency Contact Person" on Form DOA-6000.

If the vendor contractor does not have on file with BSRM a proper Certificate of Insurance naming the State of Wisconsin as certificate holder, the agency is responsible for requesting and obtaining the Certificate. The certificate holder should be the State of Wisconsin, not the agency requesting the Certificate. The agency should then forward the Certificate on to BSRM for its file. In the event another agency contacts BSRM about using the same vendor contractor, BSRM will advise whether the Certificate on file is current. If it is not current, BSRM will determine if the former agency is going to continue its contract with the vendor contractor, in which case that agency will obtain the renewal Certificate of Insurance. If the former agency is not continuing its contract with the vendor contractor, the agency about to contract with the vendor contractor is responsible for requesting and obtaining the current Certificate and forwarding the Certificate to BSRM.

BSRM will monitor and notify the agencies affected at least 60 days prior to the expiration date of a Certificate of Insurance. An agency is responsible for renewals of Certificates of Insurance.

As stated above, the Division of State Agency Services does not encourage the use of state vehicles by vendor contractors. Every effort should be made by the agency to find alternatives to allowing vendor contractors to drive state vehicles.

Any questions regarding this policy should be directed to John Vick at 608/266-0168 or [John.Vick@doa.state.wi.us](mailto:John.Vick@doa.state.wi.us).

Attachments:            Policy on vendor contractors driving state vehicles  
                              Sample Certificate of Insurance  
                              DOA-6000, Non-State Driver Vehicle Use Agreement  
                              Sample Letter Requesting Proper Certificate of Insurance

## **POLICY ON VENDOR CONTRACTORS DRIVING STATE VEHICLES**

A vendor contractor (Contractor) under contract with the State of Wisconsin is required to maintain minimum automobile liability insurance coverage as stated in the "Standard Terms and Conditions" of the contract. If this insurance is not carried the Contractor will be in violation of the contract requirements. This document represents additional requirements for Contractors that will also have employees driving state vehicles.

The minimum Contractor insurance requirements include, but are not limited to, business auto liability coverage insurance for all owned, non-owned and hired vehicles that are used in carrying out the contract and **primary** auto liability coverage for any "auto." ("Auto" includes any vehicle owned, commercially leased, or rented by the State of Wisconsin and used by the Contractor in carrying out the provisions of the contract.) Minimum limits of coverage are one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

The Contractor is also required to maintain Worker's Compensation insurance regardless of whether required by Chapter 102 of the Wisconsin Statutes. Coverage is required for all employees engaged in work for the State and who, during the course of that work, are approved to drive state vehicles.

The Contractor is required to provide a Certificate of Insurance verifying that it maintains both Worker's Compensation and **Primary** Auto Liability coverage. The Certificate of Insurance must state, "**Auto liability insurance is "primary" for liability assumed under the contract with the State of Wisconsin while driving state vehicles. The State of Wisconsin is named as additional insured with respect to auto liability assumed under the contract while driving state vehicles.**" The Certificate must also name the State of Wisconsin as certificate holder. The Certificate of Insurance attesting to the required insurance coverage must be on file with the Agency **BEFORE** the Contractor's employees may be considered for approval to drive state vehicles. Further, the Certificate must be kept current and be updated at least annually.

The State of Wisconsin does not carry automobile liability insurance on its state vehicles. The State does provide statutory protection and funds to pay judgments taken against state officers, agents or employees for acts carried out while acting within the scope of their employment while driving state vehicles. **This protection applies only to state officers, agents, and employees; it does not apply to contractors and their employees.**

**Sample Letter Requesting Proper Certificate of Insurance**

DATE

VENDOR CONTRACTOR  
ADDRESS  
CITY STATE ZIP

RE: Certificate of Insurance

The State of Wisconsin does not carry automobile liability insurance on its state vehicles. The State does provide statutory protection and funds to pay judgments taken against state officers, agents or employees for acts carried out while acting within the scope of their employment while driving state vehicles. **This protection applies only to state officers, agents, and employees; it does not apply to vendor contractors and their employees.**

If vendor contractors do not provide **primary** auto liability coverage for their employees, those employees may be personally liable for damages and injuries to others resulting from an accident when they are driving a state vehicle.

Attached is the State's policy on vendor contractors driving state vehicles. Please verify that your auto liability policy provides **primary auto liability** coverage for any vehicle. In addition, submit to me your Certificate of Insurance with the required language as outlined in the attached policy. The Certificate must also **name the State of Wisconsin as certificate holder.**

Please phone me at xxx/xxx-xxxx, or contact John Vick, State Property and Liability Manager at 608/266-0168, if you have any questions on how to comply with this policy.

Sincerely,

State Agency Representative  
Title

cc John Vick, Bureau of State Risk Management, Property & Liability Manager

Enc: Policy on Vendor Contractors Driving State Vehicles

<b>ACORD™ CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YYYY) MM/DD/YY
PRODUCER XYZ INSURANCE ADDRESS CITY STATE ZIP CONTACT NAME & PHONE NUMBER	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED VENDOR CONTRACTOR NAME ADDRESS CITY STATE ZIP	INSURERS AFFORDING COVERAGE	NAIC #
	INSURER A: INSURANCE COMPANY NAME	NAIC #
	INSURER B: INSURANCE COMPANY NAME	NAIC #
	INSURER C:	
	INSURER D:	
	INSURER E:	

**COVERAGES**  
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADDR LTR INDRZ	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A Y	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	POLICY NUMBER	MM/DD/YY	MM/DD/YY	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000	
	CENTL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					
	A Y	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIREN AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	POLICY NUMBER	MM/DD/YY	MM/DD/YY	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EAACC \$ AGG \$
EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE					EACH OCCURRENCE \$ AGGREGATE \$ \$ \$	
DEDUCTIBLE RETENTION \$					\$ \$	
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	POLICY NUMBER	MM/DD/YY	MM/DD/YY	<input checked="" type="checkbox"/> WC STATU- TORY LIMITS <input type="checkbox"/> OTH- ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 DISEASE - POLICY LIMIT \$ 500,000	

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**  
AUTO LIABILITY INSURANCE IS 'PRIMARY' FOR LIABILITY ASSUMED UNDER THE CONTRACT WITH THE STATE OF WISCONSIN WHILE DRIVING STATE VEHICLES. THE STATE OF WISCONSIN IS NAMED AS ADDITIONAL INSURED WITH RESPECT TO AUTO LIABILITY ASSUMED UNDER THE CONTRACT WHILE DRIVING STATE VEHICLES

<b>CERTIFICATE HOLDER</b> STATE OF WISCONSIN C/O DEPT OF ADMINISTRATION PO BOX 77008 MADISON WI 53707-1008	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
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### **IMPORTANT**

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

### **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing Insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



### Non-State Driver Vehicle Use Agreement

Any person who is NOT a State employee and not a volunteer must complete this form before being authorized to drive a State vehicle.

Original

Update or Changed Information

Fleet Office's State Agency's Name (type name or choose from the drop-down)	State Agency's Fleet Office Contact Person
Address of State Agency's Fleet Office	State Agency's Fleet Office Contact Telephone Number ( )

Driver's Full Name (include middle initial)	Driver's License No.	State (if not WI)
Driver's Work Mailing Address (PO Box, floor, room, etc.)	Driver's Date of Birth (mm/dd/ccyy)	
Driver's Work City, State, ZIP + 4	County in which Driver Works	
Driver's E-mail Address (provide supervisor's e-mail address if driver has no e-mail access)	Driver's Work Street Address	
Driver's Company Name and Address	Driver's Company, Contact Person and Telephone Number	
Driver's State Agency's Contact Person and Telephone Number	Driver's Work Phone ( )	
Vehicle Purpose	Driver's Work Fax ( )	

**Instructions:**

Persons must complete this form prior to driving a State of Wisconsin vehicle. A completed Certificate of Insurance attesting to required primary auto liability insurance coverage must be on file from the driver's company BEFORE submitting this form to Fleet.

Completed forms are to be returned to the State Agency's Fleet Office, indicated at the top of this form, which will file one copy and forward a copy to DOA Fleet.

**Driver Agreement:**

I acknowledge that I have received and/or read a copy of the statewide Fleet Driver and Management Policies and Procedures and I understand the contents and agree to comply with them. I have a valid driver's license, have a minimum of two years' licensed driving experience, and I am over eighteen (18) years of age.

As a condition of my driving a State vehicle, I agree to a check of my driving record on a periodic basis.

I further agree to immediately notify my company, the State agency contact person and the State Agency's Fleet Office of any negative changes or updates in my driving record. I will also inform them in writing whenever I become disqualified under the Fleet Policies. Changes include but are not limited to OWI/DUI citation, license revocation, restriction, or suspension. Failure to report such changes may result in the revocation of the privilege of driving a State vehicle.

A person may not drive a State vehicle if their driving record reflects any of the following conditions:

- ◆ A person who has three (3) or more moving violations and/or at fault accidents in the past two (2) years.
- ◆ An OWI or DUI violation within the past year. (OWI/DUI violations are for operating a vehicle while under the influence of an intoxicant, controlled substance or other drug).

(An agency may operate under more stringent standards if it wishes )

Driver's Signature	Date (mm/dd/ccyy)
State Agency's Contact Person Signature	Date (mm/dd/ccyy)
State Agency's Contact Person Name (Please print or type)	E-mail Address

APPROVED       DENIED      Fleet Coordinator/Owner Agency Signature: