

<b>Topic:</b>	<b>Auto Insurance for Board Business Transportation</b>
<b>Effective:</b>	<b>April 2014</b>
<b>Cross-reference:</b>	<a href="#"><u>Highway Traffic Act, R.S.O. 1990, c. H.8;</u></a> <a href="#"><u>Compulsory Automobile Insurance Act, R.S.O. 1990, c. C.25;</u></a> <a href="#"><u>Insurance Act, R.S.O. 1990, c. I.8</u></a>
<b>Reviewed:</b>	<b>November 2019, October 2022</b>
<b>Revision Date:</b>	<b>October 2026</b>
<b>Responsibility:</b>	<b>Superintendent of Business Services</b>

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**INTENDED PURPOSE:**

The Halton District School Board recognizes employees may, from time to time, use their own vehicle or rent a vehicle for Board approved business and this procedure outlines insurance requirements and responsibilities.

**PROCEDURES:**

**Automobile Liability Insurance:**

In all cases, the Insurance Act stipulates that a vehicle owner's liability insurance policy is primary to any non-owned automobile liability insurance policy.

The Board secures non-owned automobile liability insurance to pay claims in excess of the insurance carried on a vehicle that is not owned by the Board while being used or operated on Board approved business. For example, if the limit of liability coverage on the owner's vehicle insurance policy were \$1,000,000 and a claim cost a total of \$2,000,000, the owner's automobile insurer would pay the first \$1,000,000 and the Board's non-owned automobile liability policy would pay the remaining \$1,000,000.

Driving to and from work is not considered Board approved business.

**Recommendations for Personally Owned Vehicles:**

If the use of a personally owned vehicle for board approved business or to transport students to school activities is infrequent or occasional, the personal automobile liability insurance policy automatically extends coverage to the vehicle owner and authorised drivers.

If the personally owned vehicle is used regularly (once or twice a week) for board approved business or to transport students, then the vehicle owner should notify their agent, broker or insurer.

It is required that individuals using personally owned vehicles for board approved business carry a minimum of \$1,000,000 automobile liability coverage.

The Board's non-owned automobile liability insurance does not cover damage to any property, damage to the vehicle or deductible amounts.

The Board does not carry insurance coverage for damage to any personally owned vehicle in any board parking lot. Employees, trustees, volunteers, parents, students, and other individuals would use the vehicle owner's insurance policy for any such damage.

**Recommendations for Rental Vehicles:**

As per the Ontario Highway Traffic Act and the Insurance Act, the personal automobile liability insurance of the Renter of any vehicle in Ontario is the primary coverage. Rental agencies cannot provide automobile liability coverage to the Renter.

To address cases where employees rent vehicles to conduct board approved business the Board purchases an endorsement to make the Board's automobile liability coverage primary.

For this endorsement to apply, any vehicle rented must be for board approved business in Ontario only, for up to a maximum of 30 days and must be in the name of the Halton District School Board.

Employees should purchase the Deductible Waiver coverage available on a daily rate through the rental agency, especially if renting a vehicle outside of Ontario. This will make the rental agency's coverage primary if there is any damage to the rental vehicle itself.

Failing to purchase this coverage means the Renter's personal automobile policy would be used to cover property or damage to the vehicle including all deductible amounts.