



Policy Factsheet

Business Automobile Liability Insurance

Overview

Hospital or home visits, church picnics, preschool trips, attending conferences, retreats and choir competitions all are work-related activities that are covered by Business Automobile Liability Insurance, which is designed to protect against liability arising from the ownership, maintenance, and use of motor vehicles.

Our fleet auto program is underwritten by Great American Insurance Company, one of the nation's oldest and largest insurers. The program, which offers \$1,000,000 of coverage against civil liability for property damage and bodily injury, is designed for owned autos, as well as those on a long-term lease. Liability is covered for loss arising from ownership, maintenance, and use of your vehicles.

What's Covered

The program covers both the organization and the authorized user of a covered vehicle, which includes owned vehicles and those on long-term leases; rented autos that are for official business and not personal use; and autos that aren't owned by the organization but are being used on its behalf.

Policies also typically cover trailers, mobile equipment being carried on trailers and temporary substitute vehicles for, say, when a covered car is being repaired.

The policy covers risks including liability, the only mandatory coverage, which insures against civil liability for property damage and bodily injury; personal injury, which covers things like medical expenses and lost earnings for anyone injured in a collision; protection for uninsured or underinsured drivers; and physical damage to a vehicle.

FAQs

Q: *What exceptions are there?*

A: A church employee or volunteer who drives their own personal vehicle, even for church business, is not generally covered by the church's Business Automobile Liability Insurance policy. In the United States, auto coverage follows the vehicle.

Therefore, church-owned vehicles are covered by the church's Business Automobile Liability Insurance policy, and an individual's personal vehicle is covered by their individual personal auto insurance policy. If a volunteer were driving their own vehicle for church business and was involved in an accident, their personal auto insurance policy would act as the primary coverage. If the church carried Hired and Non-Owned insurance coverage, it would serve as excess / secondary coverage.

Q: *What if we rent a vehicle, such as a minivan?*

A: In such instances it usually makes sense to purchase the rental company's liability and physical damage insurance, which is about \$10–\$15 a day. When you purchase the rental agency insurance, that coverage becomes primary, and your organization's auto plan provides coverage in excess of the rental agency's.

But one thing to remember is don't rent a 15-seater van—they are much more prone to rollover because of how they are built, according to the Highway Traffic Safety Administration.