

Motor Vehicle Record Review

Allianz Risk Consulting



What is a Motor Vehicle Record (MVR)?

An MVR details an individual's past driving history based on violations and accidents over a specified time period.

Why review Motor Vehicle Records (MVRs)?

Screening drivers is one of the most effective means of minimizing your potential for vehicular accidents, and MVRs are one of the best predictors of accident experience. According to a 2011 study conducted by the American Transportation Research Institute, drivers with prior traffic convictions had a significantly higher likelihood of being involved in a future crash¹. For example, drivers with a "failure to use/improper signal" conviction were 96% more likely to be involved in a future accident. In addition, drivers involved in a prior vehicular accident were 88% more likely than their peers to be involved in another. Furthermore, studies have shown that almost half of job applicants understate the number of accidents and convictions in their initial application.

Who should be subject to an MVR review?

Full-time, part-time, and even occasional drivers should all be subject to MVR reviews.

When should I order MVRs?

Some companies rely on their insurance broker to run MVRs on their behalf or wait until their insurance carrier asks for an updated driver list. This is a risky practice. The best method of screening your drivers is to manage the process internally. No employee should be asked to drive on company business until an MVR review has been completed. The following are the recommended occasions to conduct an MVR review:

1. Prior to the employee's start date (any job offer made should be contingent upon a review of an MVR)
2. Annually (to identify any undeclared violations that might lead to restrictions or impact an employee's ability to drive on company time)
3. If suspicions exist of non-reported violations

The MVR should be reviewed with the driver and made part of the driver's file. This review may give the supervisor insight as to the driver's attitude regarding traffic rules and regulations.

How can I order MVRs?

A copy of the MVR should be obtained from the state where a driver holds a license to confirm that the applicant has a valid license and to review the driver's past record. The driver's full name, license number and, for some states, date of birth is usually required in order to obtain a MVR. MVR's can generally be obtained from the State Department of Motor Vehicles (DMV) or by using a third-party screening service. Some states offer a service that allows businesses to receive automatic notifications of changes to their drivers' MVRs. This is an excellent way to provide immediate intervention and counseling of drivers rather than waiting for an annual MVR review. Regarding

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1. Predicting Truck Crash Involvement: A 2011 Update; American Transportation Research Institute; http://www.atri-online.org/research/results/ATRI_Crash_Predictor_One_Pg_Summary_Apr_2011.pdf

the selection of screening service vendors, we encourage you to research reputable vendors in your area as well as on-line.

How can I evaluate MVRs consistently and fairly?

Establish an organizational standard that all existing and prospective employees must meet in order to be eligible to drive on company time. The information found on MVRs can be divided into three categories:

Major Convictions (one in the past 5 years makes the driver unacceptable)

- Negligent homicide
- Criminal-type conviction
- Hit-and-run
- Manslaughter
- Suspended or revoked license
- Drag racing
- Driving Under Influence/Impaired
- Reckless or careless driving
- Assault involving a motor vehicle

- Passing a stopped school bus
- Cell phone or hands-free violations

Moving Violations (3 or more within the past 3 years makes the driver unacceptable)

- Speeding violations
- Improper lane changes
- Following the vehicle ahead too closely
- Running a stop sign or red light
- Failure to Yield

Accidents (2 or more accidents within the last 3 years)

It is important to note that each state has its own MVR guidelines. Some states issue “careless driving” citations even when the driver has exceeded the speed limit by only 5 mph. Others allow the reduction or elimination of citations by paying fines within a specified time. You should know the point system, violation criteria, and state-specific rules for your home state and for any other state where you routinely hire drivers.

The following may assist you in evaluating driver MVRs:

No. of Moving Violations * (3 yrs.)	No. of Accidents (3 yrs.)			
	0	1	2	3
0	Clear	Acceptable	Borderline	Unacceptable
1	Acceptable	Acceptable	Borderline	Unacceptable
2	Acceptable	Borderline	Unacceptable	Unacceptable
3	Borderline	Unacceptable	Unacceptable	Unacceptable
4	Unacceptable	Unacceptable	Unacceptable	Unacceptable

* Any major conviction within the last 3 years, or one major conviction from 3 - 5 years old combined with any minor violations or accidents, is automatically considered an unacceptable MVR. If only one major conviction from 3 - 5 years old and no other activity, the MVR is considered borderline.

How should I handle Borderline or Unacceptable MVRs?

Clear and/or Acceptable MVRs are preferable. Unacceptable MVRs are grounds for revocation of driving privileges as well as additional disciplinary action. Borderline MVRs should be handled on a case by case basis, though erring on the side of caution is always recommended.

If you have identified a driving record as Borderline, then consider the following:

- When possible, shift the employee into a job category that does not include driving

- Initiate an increased level of control (training, driver monitoring devices, etc.)
- Personal (non-business) use of company vehicles by this driver should be eliminated or greatly restricted

Summary

The establishment of acceptable driving criteria along with appropriate monitoring and enforcement is of the utmost importance and should be a key element of your overall fleet management policy. Contact your insurance broker or Allianz Risk Consultant for additional insight.