

Insurance Requirements for Volunteer Drivers and Community-Based Organizations

Providing Transportation to Seniors: Myths and Facts



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Myth: As a volunteer driver, I need to carry extra liability coverage on my vehicle.

Fact: Individuals acting as volunteer drivers, using their own personal vehicles, are not required by law to increase their liability amount. By law, drivers are required to be covered for the minimum statutory liability limit that is outlined by their province of residence.

Myth: If I become a volunteer driver, I will be required to inform my insurance company of my volunteer driving activities.

Fact: The vast majority of volunteer drivers will not need to notify their insurance company. The exception to this is if the volunteer driving activity increases the total amount of kilometers driven per year to a different vehicle class rating (which may result in increased automobile insurance premiums).

Myth: If I get reimbursement for mileage and/or general 'wear and tear' on my vehicle for my volunteer driving, I will need to add extra insurance (i.e., endorsement S.E.F. 6a) to my personal automobile policy.

Fact: No, reimbursements for mileage or 'wear and tear' on a vehicle are not forms of payment that require the volunteer driver to have extra insurance added to their policy.



Myth: My organization does not need insurance because we are 'not-for-profit' and only use volunteers.

Fact: Not-for-profit organizations require insurance and most commonly have Commercial General Liability (CGL) insurance. CGL insurance is the most basic form of commercial insurance available.

In certain cases, endorsements will be added to an organization's CGL policy. The most relevant endorsement to organizations with volunteer drivers is **Non-owned Automobile Insurance**. This particular insurance endorsement is not a legislated requirement for organizations with volunteer drivers, but it is recommended.

Myth: There is no way that my organization can reduce the cost of its insurance premiums.

Fact: An organizations can reduce its insurance premiums by enacting Risk Management Procedures. Risk management procedures are used to assess, manage, and mitigate potential risks to the organization's members, participants, or clients, as well as staff and volunteers that may result from the delivery of a volunteer-led program or service. **Some examples of Risk Management Procedures are:** 1) Having screening processes for volunteers; 2) Having volunteer agreement and waiver forms; 3) Conducting criminal background checks on volunteers; 4) Obtaining proof of insurance from volunteers; and 5) Obtaining driving abstracts from volunteer drivers.



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