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ADDITIONAL INFORMATION

TO MEMBERS OF THE COMMERCIAL AUTOMOBILE COMMITTEE

FOR THE MEETING OF:

Thursday, August 1, 2024, at 10:00 a.m.

CAC

23.09 Consistency in Determining Classification

At the May 23, 2024 Committee meeting, one member suggested amending staff's proposed Bus NOC definition addressing vehicles owned by daycare centers to also include those operated by and for daycare centers. At that time, to ensure that the revised definition does not conflict with the social services classification, the Committee agreed to review the rule in its entirety. Further discussion subsequent to the meeting identified concern with buses owned by transportation companies that provide services to day care centers. Therefore, the following language is recommended for Committee consideration as an alternative to the original proposal:

Bus Not Otherwise Classified – this classification includes, but is not limited to, automobiles such as country club buses, cemetery buses, real estate development buses, courtesy buses run by hotels, and buses owned and operated for day care centers that do not meet the definition of the social service classification referred to in Rule 72.B.1.f.7.

Both the rating manual page and MAP supplemental application exhibit are attached for the committee's consideration. (Docket #CAC23.09, Exhibits #9 and #10)

WENDY BROWNE
Vice President – Business Operations

Attachments

Boston, Massachusetts
July 29, 2024

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- (1) is hired on a prearranged hourly basis for weddings, funerals, religious ceremonies or other non-business social functions,
 - (2) is hired on an exclusive, dedicated basis for the duration of the event, not for drop-off and pick-up,
 - (3) is operated by the named insured, an employee, or an independent contractor of the named insured, in attendance as a chauffeur at the beginning and ending of the function.
- c. *Car Service* – an unmarked for hire automobile with a seating capacity of eight or less which
- (1) is hired on a prearranged basis,
 - (2) does not pick up hail fares on the street,
 - (3) does not contain a rate meter, and does not charge for services based upon miles traveled if the trip is less than 25 miles,
 - (4) operates on a scheduled business day, and is returned to the automobile's base of operation for a continuous period of at least four hours in each 24-hour period,
 - (5) is operated by the named insured, an employee, or an independent contractor of the named insured, in attendance as a chauffeur,
 - (6) operates from a base with two-way communication,
 - (7) primary payment method is by billing or credit card,
 - (8) may be under contract with a regional transit authority where transportation services are paid for by the individual requesting the services. For services contracted and paid for by a social service agency, classify the automobile in accordance with Section B.1.f.(7) of this Rule.
 - (9) may be under contract with a transportation network or delivery network services company.
- d. *School Bus* – an automobile that carries students or other persons to and from school, or in any school activity including games,

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outings and similar school trips. There are two types of school buses for rating purposes:

1. School buses owned by political subdivisions or school districts.
2. All others including independent contractors, private schools and church owned buses.

The collision premium on a policy written on an annual term may be prorated to reflect the actual school term. However, credit shall not be given for Saturdays, Sundays or holidays or for any other periods of lay-up during the school term.

- e. *Church Bus* – an automobile used by a church to transport persons to or from services and other church related activities. This classification does not apply to public automobiles used primarily for daily school activities.
- f. Other Buses
 - (1) *Inter-City Bus* – an automobile that picks up and transports passengers on a published schedule of stops between stations located in two or more towns or cities.
 - (2) *Urban Bus* – an automobile that picks up, transports and discharges passengers at frequent local stops along a prescribed route. This classification applies only to automobiles operated principally within the limits of a city or town, and communities contiguous to such city or town, and includes scheduled express service between points on that route.
 - (3) *Airport Bus or Airport Limousine* – an automobile for hire that transports passengers between airports and other passenger stations, or motels. Automobiles used to transport passengers from their home or place of employment to or from an airport should be classified according to Sections B.1.a.– c. of this Rule, as appropriate.
 - (4) *Charter Bus* – an automobile chartered for special trips, touring, picnics, outings, games, and similar uses.
 - (5) *Sightseeing Bus* – an automobile accepting individual passengers for a fare for sightseeing or guided tours, making

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occasional stops at certain points of interest and returning the passengers to the point of origin.

(6) *Transportation of Athletes and Entertainers* – an automobile owned by a group, firm or organization that transports its own professional athletes, musicians, or other entertainers.

(a) If it is used to transport other professional athletes or entertainers, rate as a Charter Bus.

(b) An automobile owned by a group, firm or organization to transport its own non-professional athletes, musicians or entertainers, rate as Bus Not Otherwise Classified.

(7) *Social Service Agency Automobile* – an automobile used by a government entity, civic, charitable or social service organization to provide transportation to clients incidental to the social services sponsored by the organization, including special trips and outings.

This classification includes, for example, automobiles used to transport

(a) senior citizens or other clients to meal centers, medical facilities, social functions, shopping centers,

(b) handicapped persons to work or rehabilitative programs,

(c) children to day care center, Head Start programs; and

(d) Boy Scout or Girl Scout groups planned activities.

The following automobiles are eligible for this classification:

(a) Automobiles owned, or leased for one year or more, by the social service agency.

(b) Automobiles donated to the social service agency, without a driver.

(c) Automobiles hired under contract by the social service agency.

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There are two types of Social Services Bus for rating purposes:

(a) Employee-Operated Automobiles

Automobiles operated by employees of the social service agency. If a social service automobile is also operated by volunteer drivers or other non-agency employees, do not classify the automobile as Employee-Operated unless 80% of the use is by agency employees.

(b) All Other

Automobiles which do not meet the employee-operated automobile classification requirements.

Excess Liability Coverage may be provided to cover automobiles not owned or licensed by the agency while being used in its social service transportation activities. This coverage may be extended to cover the agency's liability only or the liability of both the agency and, on a blanket basis, the individual liability of agency employees or volunteer donors or owners of the automobiles. For automobiles hired, loaned, leased or furnished refer to Rule 28 – Hired Automobiles of Section II – Common Coverages and Rating Procedures of this Manual. For all other non-owned automobiles, refer to Rule 27 – Non-Ownership Liability of Section II – Common Coverages and Rating Procedures of this Manual.

(8) *Bus Not Otherwise Classified* – this classification includes, but is not limited to, automobiles such as country club buses, cemetery buses, real estate development buses, ~~and~~ courtesy buses run by hotels, and buses owned and operated for day care centers that do not meet the definition of the social service classification in referred to in Rule 72.B.1.f.7.

- g. *Van Pools* – an automobile of the station wagon, van, truck or bus type used to provide prearranged commuter transportation for employees to and from work and is not otherwise used to transport passengers for a charge.

(1) Employer Furnished Transportation

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EXHIBIT III-B-2

Supplemental Application
Public Automobile Information Addendum

Applicant Name: _____

Agent Name: _____

1. Please describe your transportation operation: _____

2. For each of the following categories, indicate the percentage of usage and the number of units used for each class:

Vehicle Category		Usage Description	Percentage of Use	Number of Units
Charter Bus		An automobile chartered for special trips, touring, picnics, outings, games and similar uses.	%	
Bus	Not Otherwise Classified	This classification includes, but is not limited to automobiles such as shuttle buses country club buses, cemetery buses, real estate development buses, courtesy buses run by hotels, and buses <u>owned and operated for day care centers that do not meet the definition of social service agency automobile that operate city-to-city or point-to-point and is not to a transportation facility, on a regularly-scheduled basis.</u>	%	
Inter-City Bus		An automobile that picks up and transports passengers on a published schedule of stops between stations located in two or more towns or cities.	%	
School Bus		An automobile that carries students or other persons to and from school, or in any school activity including games, outings and similar school trips. This includes vehicles owned by or contracted with a school or school district.	%	
Sightseeing Bus		An automobile accepting individual passengers for a fare for sightseeing or guided tours, making occasional stops at certain points of interest and returning the passengers to the point of origin.	%	
Airport Bus or Limousine (Shuttle)		An automobile for hire that transports passengers between airports and other passenger stations, or motels.	%	
Urban Bus (Transit)		An automobile that picks up, transports and discharges passengers at frequent local stops along a prescribed route and operated principally within the limits of a city or town, and communities contiguous to such city or town, and includes scheduled express service between points on that route.	%	
Social Service Agency Automobile		An automobile used by a government entity, civic, charitable or social service organization to provide transportation to clients incidental to the social services sponsored by the organization, including special trips and outings.	%	
Church Bus		An automobile used by a church to transport persons to or from services and other church related activities.	%	
Transportation of Athletes & Entertainers		An automobile owned by a group, firm or organization that transports its own professional athletes, musicians or other entertainers.	%	
Van Pools		An automobile used to provide prearranged commuter transportation for employees to and from work and is not otherwise used to transport passengers for a charge.	%	