

Authorized State Vehicle and Private Vehicle Use

While State of Iowa employees are expected to utilize State-owned vehicles whenever practical and cost effective for performing State business, DAS has delegated the authority to authorize employees' private vehicle use to State agencies under the authority of Code of Iowa chapter <u>8A.361-367</u> and Iowa Administrative Code (IAC) <u>11-103</u>.

Prior to such authorization, agencies are encouraged to perform an analysis of agency needs, cost effectiveness, and risk among the available transportation options. Some considerations in making this determination include:

- 1. Authorized Use of State Vehicles Per Iowa Code 8A.363 personal or private use of a State vehicle is prohibited. Only a State employee or other individual authorized to conduct State business may drive or be a passenger in a State vehicle or rental vehicle paid with State funds. State vehicles or rental vehicles may not be driven to a driver's home unless the residence is the approved work location, or doing so would reduce the trip cost for the State of Iowa and a written request has been approved by the DAS Fleet Services Manager prior to the scheduled use. (See DAS Fleet Services Policies and Procedures Manual for more information.)
- 2. **Taxable Fringe Benefits** Commuting in a State vehicle is not allowed unless a Home-to-Work Authorization
 Form has been completed and submitted to DAS Fleet Services for approval. If approved, department personnel must adhere to Internal Revenue Service commuting valuation regulations and report receiving a taxable benefit of \$1.50 (\$3.00 round trip) per day when using a State-owned vehicle in this manner. (Refer to DAS State Accounting Enterprise (SAE) Procedure 210-130 for more information.)
- 3. **Cost** If an agency-owned vehicle is not available, vehicle rentals for in-state and out-of-state travel are available from DAS Fleet Services Motor Pool and contracted State vendors Enterprise and Hertz. Factors influencing cost effectiveness include miles per day and rental duration. See the <u>Rental Options chart</u> for cost comparisons. In most cases, these options are more cost effective than private vehicle use.
- 4. Mileage Reimbursement The mileage reimbursement rate for authorized private vehicle use for State business increased to \$0.50 per mile effective July 1, 2022, per DAS SAE <u>Procedure 210-130</u>. This rate is intended to cover the operating expenses of the private vehicle, including fuel, depreciation, maintenance, and insurance. (Transportation costs between the employee's residence and office are not reimbursable per DAS SAE <u>Procedure 210-107</u>.)
- 5. Reimbursement Limit Mileage in excess of 14,000 miles during any fiscal year will not be reimbursed. Employees should contact DAS Fleet Services for vehicle rental information for any necessary State business travel once the 14,000 mile reimbursement limit has been reached. Reservations for State Motor Pool, Enterprise, or Hertz rental vehicles can be made online via Agile Fleet Commander or by contacting DAS Fleet Services at 515-281-3162 or motorpool@iowa.gov.
- 6. **Insurance Coverage** The DAS Risk Management (Vehicle Self-Insurance) utility provides liability, collision, and comprehensive coverage only for state-owned vehicles for which the owning agency pays into the fund.
 - DAS Fleet Services Motor Pool rentals and commercial rentals through State master agreements with Enterprise or Hertz include coverage when renting for official business and reserved through DAS Fleet Services.
 - When a private vehicle is used for State business, the State of Iowa is not responsible for damages. Any

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personally owned vehicle used on State business must be covered by a separate personal insurance policy per IAC 11-103 .12(5)(b). Some insurance policies contain language excluding coverage when operating a private vehicle to conduct business. Prior to private vehicle use for State business, agencies should have employees verify their insurance policy will provide coverage in the event of an accident.

As a reminder, authorized drivers of State vehicles under the authority of Code of Iowa chapter SA.361-367 and Iowa Administrative Code (!AC) 11-103 must possess a valid driver's license and follow all State rules regarding vehicle use, including DAS Fleet Policies and Procedures, applicable DAS State Accounting policies, Iowa motor vehicle laws, Iowa Code, and Administrative Rules.

For more information about fleet policies or vehicle rentals, contact DAS Fleet Services at 515-281-3162 or motorpool@iow a.gov.