



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
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HODGEN M. MAINDA
COMMISSIONER

BULLETIN 20-04

TO: Carriers writing automobile insurance in Tennessee

FROM: Hodgen Mainda, Commissioner *Hodgen Mainda*

RE: COVID-19 Guidance to Carriers on Automobile Coverage for Deliveries

DATE: March 26, 2020

On March 22, 2020, Governor Lee issued Executive Order No. 17 which mandates alternative business models for restaurants and gyms to prevent the further spread of the COVID-19 virus. Under the order, restaurants may remain open for delivery service. As such, restaurants that do not normally offer delivery may begin delivery service, and employees who typically do not deliver food may be called on to temporarily provide food delivery services using their own insured personal vehicles.

Personal automobile policies may not provide coverage for vehicles used for commercial purposes, like food delivery. Further, these drivers may not be covered under a restaurant's commercial automobile policy. As a result, many of the temporary food delivery drivers may be inadvertently uninsured as they carry out their job duties.

Therefore, the Department requests that:

- Carriers add delivery coverage to personal auto policies for restaurant employees engaged in delivering food on behalf of a restaurant impacted by the mandated changes in restaurant operations. The Department will approve riders or endorsements based on this request within one business day;
- Carriers allow a restaurant to retroactively add additional employees not previously named under a restaurant's commercial automobile policy if an employee is operating a vehicle covered by the policy within the scope of their employment;
- Carriers who provide commercial general liability coverage to a restaurant notify their insureds that commercial automobile coverage is available if requested. If the insured restaurant requests commercial automobile coverage, the Department requests that the carrier, either through a rider or stand-alone policy, provide this coverage to any insured restaurant.

The Department requests carriers provide the above-described coverages beginning on the date this bulletin was issued until restaurants are no longer subject to dining-in restrictions due to an Executive Order. Insurers may, at their own discretion, provide retroactive coverage beginning on March 22, 2020.

The Department does not request that carriers afford coverage to drivers who otherwise have coverage for deliveries through their personal policy or another policy. This coverage also does not apply to drivers working for a transportation network company or similar delivery company. This coverage is only afforded to delivery drivers who do not have such coverage and this coverage does not stack with any coverage that is currently afforded.

Any questions concerning this bulletin may be directed to Bill Huddleston, Director of Insurance at 615-360-4467 or Bill.Huddleston@tn.gov.

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