



VEHICLE FOR HIRE – OWNER’S PERMIT

City of Chico – Police Department Insurance Requirements - Information Sheet

Commercial General and Auto Liability Insurance

An applicant for a Vehicle for Hire - Owner’s Permit shall obtain and maintain during the term of the Permit, a policy of commercial general liability insurance which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$500,000 for each occurrence, and \$1,000,000 in the aggregate, with a maximum policy deductible to be determined by the Risk Manager. An Occurrence policy is required;

AND

An applicant shall also obtain and maintain a policy of automobile liability insurance for each vehicle covering personal injury in the minimum amounts of \$100,000 per person and \$300,000 per occurrence, and a property damage limit of at least \$50,000;

AND

Both policies shall be obtained from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of “B” or better, or in the alternative, an unlicensed U.S. domiciled company or companies with a rating of “A”.

The commercial general liability insurance coverage shall be evidenced by a certificate of insurance with policy endorsements, executed by an authorized official of the insurer(s). The policy endorsements to be attached to the certificate shall provide that:

1. The City of Chico, its officers, boards and commissions, and members thereof, its employees and agents are covered as **additional insureds** as respects to any liability arising out of the activities of the named insured (a CG 2012 form or equivalent).
2. The insurance coverages afforded by this policy shall be **primary insurance** as respects to the City of Chico, its officers, employees and agents. Any insurance or self-insurance maintained by the City of Chico, its officers, employees or agents shall be in excess of the insurance afforded to the named insured by this policy and shall not contribute to any loss. The above language can be included on the additional insured endorsement form or on a separate endorsement form. A photocopy of the language from the policy (typically found in the section which discusses “Other Insurance” and “Methods of Sharing”) is also acceptable as evidence of primary coverage **provided that it is transmitted to the City with a note or letter on insurance agency or company letterhead certifying it is from the policy of the insured.**
3. The insurer will provide to the City at least thirty (30) days prior notice of cancellation or material change in coverage.

Please provide this information sheet to your insurance agent or broker and request he or she issue the certificate, with endorsements, to the City of Chico, Attention: Risk Management, P.O. Box 3420, Chico, CA 95927. The City will not issue the Permit until the evidence of insurance is approved. If your agent or broker has questions regarding the insurance requirements, he or she should call the Risk Management office at (530) 879-7910.

City of Chico – Human Resources & Risk Management
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