

SAM REVISION

SAM SECTION:

**SAM 2420 – Motor Vehicle Liability Self-Insurance Program
(Revised)**

DATE:

MAY 2025

CHAPTER/SECTION OWNER:

- Governor's Office (GO)
- Department of Finance (DOF)
- Department of Human Resources (CalHR)
- Department of General Services (DGS) – ORIM**
- Department of Technology (CDT)
- Other: [Insert Name and Authority]

Legal Authority

Government Code sections [16378](#), [16379](#), [11290](#)

Insurance Code section [557.5](#)

Vehicle Code sections [17000](#), [17001](#)

[United States Code, Title 19
Section 1627a\(c\)\(1\)](#)

Definitions

Self-Propelled Land Vehicles: Defined in 19 USC § 1627a(c)(1).

Policy

The [Office of Risk and Insurance Management \(ORIM\)](#) administers the State Motor Vehicle Liability Self-Insurance Program (VELSIP), which provides ~~unlimited~~ self-insured liability coverage for state agencies and employees who operate covered self-propelled land vehicles on official state business. (~~California Vehicle Code Sections [17000](#) and [17001](#)~~)

Effective January 1, 2004, liability coverage is limited to ~~\$1 million~~ \$1,000,000 per occurrence/accident when the state-owned vehicle is operated by a ~~non-salaried~~ non-civil service employee (e.g., student assistant, volunteer, etc.) on official state business. In such an instance, the employing department/agency will be financially responsible for the payment of any claims, settlements, judgments or verdicts in excess of ~~\$1 million~~ \$1,000,000.

With the exception of peace officers as defined in [Insurance Code section 557.5](#), the VELSIP provides excess liability coverage for state employees while driving non-state vehicles on official state business, but only after the vehicle owner's liability policy limits have been paid.

Personal Injuries

The VELSIP does not provide coverage for injury to state employees or damage to state owned vehicles. Employee injuries are handled through the Workers' Compensation program.

Property Damage

Repairs for Damage to state vehicles is ~~handled the responsibility of through the budget of~~ the state agency owning the vehicle.

Responsibilities

ORIM:

1. Administers the State Motor Vehicle Liability Self-Insurance Program.
2. Provides annual rate assessment invoice to state agencies.

Resources

- ~~• SAM 2430 — Motor Vehicle Accidents and Reporting~~
- Procedures for Reporting Motor Vehicle Accident