

THE ULTIMATE GUIDE TO **MVR BACKGROUND CHECKS**

Why This Guide?

At Good Egg, we receive many questions regarding motor vehicle record (MVR) reports. What are they? What's on them? Why should employers care?

So we put together this comprehensive guide in an effort to help.

In it, we cover the following topics:

- 1. Common questions, including what is an MVR background check, is it a consumer report, and how far back do MVR checks go?**
- 2. MVR monitoring—what it is and how it works**
- 3. Five specific benefits of MVR monitoring**
- 4. Bonus section: Ask the Attorney**

Let's get started.

What's an MVR Background Check?

Simply put, an MVR background check is a report of a person's driving history. It includes information, such as license expiration, status, license class, endorsements, restrictions, traffic violations, accidents, vehicular crimes, suspensions—even unpaid parking tickets and, in some states, unpaid child support.

The purpose of an MVR report is straightforward: to provide the employer with insight regarding whether the applicant/employee can be considered a safe driver.

Conducting a pre-employment MVR check makes sense if you have employees driving on behalf of your company. Just like other screenings, such as criminal background checks, an MVR check will help you make informed hiring decisions. (And for DOT-regulated businesses, MVR checks are required.)

An important caveat, however: MVR reports can be challenging to interpret. [The American Association of Motor Vehicle Administrators](#) (AAMVA) has created the AAMVA Code Dictionary (ACD), which is “a set of codes used nationwide to identify the type of driver conviction or the reason for a driver withdrawal.”

There are literally hundreds of codes. This is why it's essential to work with a reputable background check vendor that not only facilitates the MVR background checks, but also helps you interpret the results.

Violations/Accidents/Actions			
TYPE	VIOL/SUSP	CONV/REINS	DESCRIPTION
SUSP	07/28/2014	10/26/2014	FAILURE TO FILE INSURANCE - BUREAU State.....: IN Location.....: HUNTINGTON SUPERIOR
VIOL	10/07/2007	10/08/2007	FAILURE TO USE/IMPROPER SIGNAL ACD.....: N40 State.....: IN Location.....: HUNTINGTON SUPERIOR Non-Active Points: 2
VIOL	06/28/2005	05/01/2006	DRUG PARAPHERNALIA/FELONY State.....: IN Location.....: HUNTINGTON SUPERIOR

Is an MVR report a consumer report?

Yes. As such, employers must make sure they comply with the [Fair Credit Reporting Act](#), including disclosure and authorization requirements and adverse action procedures.

How far back does an MVR report go?

This varies by state. Most states fall within a 3- to 7-year lookback period (three years is the most common). There's no national database for searching drivers' records—we obtain MVR reports through a state's Department of Motor Vehicles (DMV) or its equivalent agency (in Massachusetts, for example, it's called the Registry of Motor Vehicles or RMV).

Let's say someone has lived in multiple states. What happens then?

Since the Commercial Motor Vehicle Safety Act of 1986, nationwide, each driver may only have one driver license and one record. This ended the practice of drivers getting multiple licenses and hiding bad records they may have had in a different state.

Some states will carry over violations from a previous state's MVR and place it on the person's new driving record. Some won't. It's important to note that each state has its own rules and regulations regarding how records are updated and accessed, and whether or not records can be expunged.

Not to mention, mistakes can happen at the state level: inputting incorrect data, like the misspelling of a name, for example. Sadly, examples of egregious errors exist as well. A recent example: the [Massachusetts Registry of Motor Vehicles' failure](#) "to act on information provided by the Connecticut Department of Motor Vehicles about a drunken driving arrest involving [Volodymyr] Zhukovskyy."

Zhukovskyy was involved in a crash on June 21, 2019, that killed seven people. His OUI arrest in Connecticut happened on May 11, 2019. According to [news reports](#), Massachusetts Department of Transportation Secretary and CEO Stephanie Pollack said in a statement that, "in this case, the RMV had not acted on information provided by the Connecticut Department of Motor Vehicles about a May 11 incident that should have triggered termination of this individual's commercial driver's license."

[A negligent lawsuit has since been filed](#) against Zhukovskyy and his employer, Westfield Transport.

RELATED: [3 Reasons Why You Should Use Good Egg's MVR Monitoring](#)

What's Continuous MVR Monitoring?

Continuous MVR monitoring is exactly as it sounds—on an ongoing basis, a person's driving record is monitored for new information. This new info could be anything from speeding tickets to accidents to a license suspension or revocation. The info could also signal a positive change, such as a driver updating their commercial driver license (CDL) or medical certificate.

How does MVR monitoring work?

Here's how MVR monitoring works:

- **We run an MVR background check to establish a baseline.** As we mentioned above, an MVR check is a report of a person's driving history. It includes information, such as license expiration, status, license class, endorsements, restrictions, traffic violations, accidents, vehicular crimes, suspensions—even unpaid parking tickets, and, in some states, unpaid child support.
- **We continuously monitor the driver's MVR on a go-forward basis.** Once we run the initial MVR check, we now have a full report on the driver. Then, our system simply monitors the driver's record going forward. Whenever new information is placed on the driver's motor vehicle record, we get a ping. At that point, we pull the driver's MVR to see what the new information is.

Why should companies consider MVR monitoring?

You likely have more people driving on behalf of your company than you realize. And whether they're driving a company vehicle or their own, if they're going out and conducting business for your business, this creates liability and puts your company at risk. MVR monitoring can help mitigate this risk.

If you don't monitor MVRs, think about what could happen. If someone is driving with a suspended license on behalf of your company and they get in an accident involving injuries or fatalities, well—you can fill in the blanks: lawsuits, brand damage, and skyrocketing insurance premiums.

MVR monitoring is an economical way to mitigate these risks.

The National Safety Council's "[Injury Facts](#)" cites the National Council on Compensation Insurance (NCCI): "According to NCCI data, the most costly lost-time workers' compensation claims by cause of injury result from **motor vehicle crashes**, averaging **\$73,559 per workers' compensation claim** filed in 2015 and 2016."

What are the Specific Benefits of MVR Monitoring?

Here are five specific benefits:

1. MVR monitoring can act as a deterrent.

Just as random drug testing often acts as a deterrent in the workplace, MVR monitoring can have the same effect. If employees know their driving records are being monitored, some of these employees will likely avoid reckless behaviors when they drive.

2. MVR monitoring can help lower insurance premiums (both auto and workers comp).

In fact, more and more insurance companies are running MVR checks as part of their underwriting process.

RELATED: [Ask the Attorney: MVR Checks & Insurance Companies](#)

3. MVR monitoring is very inexpensive.

MVR monitoring only costs a few dollars per month per driver, and the cost can be offset by not having to run full MVR checks each year on everyone who drives on behalf of your company.

Remember, if there's no change to the individual's MVR, only the monitoring fee is charged. Whenever something new gets placed on the individual's motor vehicle record, the system is alerted about the change, at which point, we'll run the MVR check to see what the new information is—however, this is only for employees with new information on their MVR.

NOTE: Some industries, such as those regulated by the DOT, require annual MVR rescreening. In those instances, MVR monitoring alone wouldn't fulfill the DOT requirement.

4. MVR monitoring can easily be bundled with other background check services.

MVR monitoring is the perfect complement to other post-hire employment monitoring, such as social media monitoring, criminal monitoring, and random drug testing. These solutions work in tandem to create a safer and more productive workforce.

5. MVR monitoring protects your employees, other people on the road, and your brand.

The goal with MVR monitoring is to keep everyone safe—the employee who's driving, anyone who's driving with them (such as co-workers), and other people on the road. A person's safety is paramount. But MVR monitoring also protects your brand by avoiding bad press and expensive negligent retention lawsuits.

Bonus Section: Ask The Attorney

Melissa Snyder, FCRA-Advanced Certified from the Professional Background Screening Association (PBSA), is Good Egg's attorney and compliance manager. Below, Melissa provides an answer about MVR checks and insurance companies. This answer is meant to be educational in nature, not legal advice. You should consult your own attorney regarding your specific situation.

QUESTION:

Our insurance company recently asked for our CEO's driver's license. Turns out, the insurance company wants to run MVRs on every person that drives in our company. Is this something you've been hearing more about? If yes, what sort of compliance issues are at play—is it up to the insurance company to obtain proper disclosures, or would we in HR have to let employees and applicants know that they might need to undergo an MVR? Do we need to define what it means to 'drive on behalf of the company'?

Melissa:

Let's unpack this question, because it's an important one (and it has several moving parts). First, let's define "driving on the company's behalf." This includes any time spent driving "on the job" during work hours. It would exclude an employee's daily commute to the office and driving to grab something to eat during the employee's lunch break. But it would include driving to a sales meeting while the employee is "on the clock."



MVRs are consumer reports.

When furnished by a consumer reporting agency, motor vehicle records (MVRs) are consumer reports under the [Fair Credit Reporting Act](#) (FCRA). Section 604 of the FCRA is known as “permissible purpose.” It essentially defines how/when/why a consumer report can be obtained. I’ll be referencing two common permissible purposes for obtaining MVRs under the FCRA – insurance and employment.

If an employer provides its insurance company personal information to run MVRs on employees that drive on behalf of the company because the insurer requires it (and not necessarily to influence a decision on hiring, retaining, or promoting the employee), it may be prudent for the employer to ensure that the insurer has certified to the consumer reporting agency that the MVRs will be used in connection with the underwriting of insurance and for no other purpose. Above all else, the employer should be hyper-aware that the insurer is the “end-user” of the MVRs/consumer reports and is not permitted to share them with the employer for the purpose of making an employment decision.

Will following the FCRA's disclosure and authorization requirements cover us?

If you think your insurance company has been improperly providing you MVR reports (reports that you sometimes find useful), you may be wondering if following the FCRA's disclosure and authorization requirements would allow you to occasionally use an insurance MVR to make an employment determination. **Unfortunately, the answer is NO.** As the requestor, the insurer must invoke a single permissible purpose (insurance underwriting) for ordering the MVRs and must not sell or furnish the information to a third party for the same or any other purpose. Failure to do so would mean risking substantial criminal and civil penalties for violations of the FCRA and breaching its supplier contracts with state licensing agencies.

If being “insurable,” so-to-speak, is not a condition of employment, and you don’t have background check policies and procedures that delineate when the results of an MVR check disqualify individuals in certain job categories from employment, then you may find that invoking the FCRA’s permissible purpose of employment is not the right move anyways.

For example, maybe an employee whose MVR report is problematic for the insurer will keep their same position at the company, but he or she will stop driving on the job. Instead, he or she might use public transit, ride-sharing, carpooling, etc. to attend offsite meetings, conferences, seminars, and other business events scheduled during work hours.

However, most employers are not in a position to modify their job requirements in this way, and they deem MVRs an essential part of the hiring process to ensure all employees who get behind the wheel on company time are safe drivers with a valid license.

When to obtain MVR check disclosures and authorizations.

If an employer determines that the results of an MVR check may directly affect certain employees’ continued ability to do their job (or certain applicants’ qualification for the position sought), the employer should have the applicants/employees with those job types sign background check disclosures and authorizations to consent to MVR checks being run for the permissible purpose of employment.

The good news: these MVRs will generally have more information than those furnished for insurance purposes. MVRs used for employment purposes may contain additional years of information, certain violations that were suppressed on the insurance MVR, and medical certification information (required for FMCSR compliance).

IMPORTANT NOTE: An employer must be careful to certify an appropriate permissible purpose to the MVR vendor for each instance, and to strictly follow the adverse action procedures prescribed under the FCRA for that permissible purpose.



When employers should run MVR checks.

Regardless of the permissible purpose for requesting driving records, an employer should only request (or provide information to its insurer to request) MVRs on applicants/employees who will be driving on the job in some capacity.

As your background check provider should know, in some jurisdictions, a consumer reporting agency (CRA) may obtain an abstract of the driver's information only when the applicant has applied for a position that will involve operating a motor vehicle (commercial or otherwise) to some extent during work hours for a business purpose.

Bottom line: Any employee who occasionally drives "on the clock" has a job with driving responsibilities. Don't just have your bases covered when it comes to insurance. And don't assume that simply checking driving records at the time of hire is good enough to mitigate risk. Speak with an informed provider (like Good Egg!) who can help you develop and deploy a custom, continuous screening strategy that will protect your company from the colossal expenses and brand damage that come with defending against negligent hiring and negligent retention lawsuits.

Don't leave MVR checks to just anyone.

Make sure you are working with a compliant background check provider. In addition to a certification of the permissible purpose for the MVR checks, your background check vendor should obtain a statement from you that the applicant is applying for a position that involves driving on company time.

In addition, your vendor should facilitate the provision and obtaining of all necessary disclosures and authorizations (think DPPA releases and FCRA forms at the federal level, as well as state driver release forms) and be aware of expiration periods for state-specific driver releases and certifications/affidavits of use, where applicable.

If you are unsure if your current provider is complying with all of these MVR-specific requirements (and a simple question to them confirms those suspicions), you may want to consider partnering with a vendor that specializes in MVR checks and MVR monitoring.

Want more learn more about how Good Egg can help you?

REQUEST A FREE DEMO

We hope this guide was helpful.

MVR background checks and MVR monitoring are wise investments for companies to make. And using Good Egg to facilitate these checks would be even wiser, since Good Egg offers many benefits:

- Compliant with DOT, FCRA, Driver's Privacy Protection Act (DPPA), and related state laws
- Available as a one-time MVR check pre-hire, an annual re-screen, or continuous monitoring service on employees' driving records
- Can easily be bundled with our other employee screening solutions
- Good Egg experts always available to answer questions and help interpret the reports so you can make the best hiring decisions

We'd love to work with you. [Get in touch online](#) or call us directly: 631-557-0100.



About Good Egg:

Today, everyone has a digital footprint, thanks to social media. As a result, conducting employee background checks has become a lot more complicated. Plus, old screening methods haven't kept up. Enter Good Egg. We combine the human touch with lightning fast technology that not only looks at a person's past, but also their present and future behaviors. This helps HR managers hire more good eggs faster and with confidence, while maintaining 100% compliance. Learn more at www.goodegg.io.