

Getting Back to Work After COVID-19

By Chris Richmond

Originally submitted to [WorkBoat Magazine](#) / November 2020



When the pandemic hit, you were probably looking for ways to save money as the economy ground to a halt. Changes in your insurance policy can reflect a lower premium, but can also affect your coverage. As you start to get back in to business, take a look at any changes you may have made to your insurance policy and see if you need to undo them.

As the pandemic hit, some of the first calls I received from clients were requests to remove navigation from their commercial vessels. Their business slowed down and there was no work for the boats, so this was an obvious way to see some immediate relief in their insurance premium. As the economy starts back up again and you see demand and work for your vessels, make sure to have lay up removed from your policy. While the boat is insured at the dock, during lay up the moment you drop the lines coverage ceases unless you have added navigation back to the policy.

Business owners also sought savings on their insurance bill by reducing the annual projected payroll for their workers compensation or USL&H. As renewals came along during the

economic downturn, business reduced their workforce and renewals in WC and USL&H reflected this. As business picks up again and workers who had been laid off are brought back, your annual projected payroll will increase. You can wait until the audit at the end of the policy term and get hit with a large additional premium or you can contact your agent and report the increase in payroll. This will result in spreading out the increase in premium over the remaining term of your policy.

Finally, if you have been shut down for a period of time and equipment has been idle, be sure to do your due diligence and make sure all works as it should. Routine maintenance may have been missed or deferred. Inspection dates could have been missed for safety equipment or log books could be out of date for safety review. Take the time to clean up these area before a fine comes your way.

Starting business back up means getting both customers and your employees back in the door – but don't forget to contact your insurance agent as well. He or she should always be happy to hear from you and help keep your policy up to date.

Pollution Liability: More Than Just the Clean Up

By Chris Richmond

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Most commercial hull policies have a pollution exclusion clause attached. You can often get a buy back endorsement added but the coverages on this vary from company to company and often the clause will not cover what you really need to. What you really need is a stand-alone pollution policy.

A pollution policy not only covers spills related to the Oil Pollution Act of 1990 but also claims brought under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). Remember, pollution is not only petroleum spills; they can also be spills or discharge of other hazardous materials stored or transported on your vessel. You can have just as much problem with a chemical spill as an oil spill.

And don't think that that barge you tow (the one without an engine or bunker fuel) is safe from pollution claims. What if you have a fuel storage container on deck that somehow ends up overboard? You now have a pollution claim. Should your tow come off and the barge has a collision or allusion - causing a fuel spill - you now have a pollution claim.

After the spill is contained and cleaned up, who is going to pay for your defense costs? As you are well aware, this is a part of liability policies and are key as potential litigation claims can drag on and defense costs mount. Whether or not you are found liable, your defense costs can add up quickly. Having these covered by your insurance policy is very important.

And what if your spill was a total accident? Will that stop any

finer or penalties imposed upon you but state or federal authorities? Don't count on it. A pollution policy can provide coverage for fines which may be imposed.

The only thing worse than the actual spill is the image on television or social media of oil-coated birds on the beach. Allowing the public to know that you are doing your best to take care of the situation can go a long way.

While you may never have to use your pollution policy, the coverage it provides for that one time will pay off in the long run. A stand-alone pollution policy is an important part of your vessel's coverage and in some instances is required by the Coast Guard's Certificate of Financial Reasonability (COFR) program. Have a talk with your insurance agent to find out more.

OSHA Clarifies COVID-19 Reporting Requirements

The Occupational Safety and Health Administration (OSHA) has published two additional answers to its list of [COVID-19 frequently asked questions \(FAQs\)](#). The new answers clarify when employers must report COVID-19 in-patient hospitalizations and fatalities. [OSHA Clarifies COVID-19 Reporting Requirements](#)

The Value Checklists for Homeowners & Home Buyers

By Cale Pickford

This article appears in the Fall 2020 edition of Maine Realtor Magazine.



Cale Pickford

Even the most optimistic among us probably would not have forecast the current boom in residential real estate sales. A common refrain over these last months is that there is no better place to weather a global pandemic than Maine. People all over the country agree and more and more families are making the move and calling Maine home. With multiple offers, COVID-19 protocols, virtual showings and listing inventory at an all-time low, real estate agents have never been busier. Such a frantic pace makes it easy to forget important steps of due diligence and best practices. Checklists are an important tool to keep the agent organized and assist in reducing liability and provide better customer service.

There are numerous real estate agent checklists available online and in circulation at agencies. Keep in mind when using a checklist, that no detail is too small when it comes to due diligence. Working proactively will not only protect you from liability it will save you a lot time in the long run – a

valuable asset in a hot real estate market. Of course, insurance should be on every real estate agent's checklist and the following can serve as a list within your list:

Location

The old adage that the three most important things in real estate are location, location and location is just as true for insurance underwriting. Many standard national insurance companies and direct writers do a great job insuring suburban homes but often cannot cover isolated, rural and coastal (in particular island) locations. If you are involved with a sale of a property with one or more of these attributes, makes sure the buyer is working early to secure homeowners insurance.

Flood Plain Concerns

It's logical to pair flood plain concerns with location, because flood plain issues can crop up with any property, not just waterfront homes. If you think there's even a remote chance that a home could be impacted by the special hazard flood plain, you should pull the flood insurance rate maps or work with an insurance agent to provide a flood zone determination. The sooner flood plain concerns can be addressed, the more likely you'll have a favorable outcome.

Occupancy

Many people have decided to move to Maine full time but we're still a state with one of the highest ratio of secondary homes to primary in the country. Secondary homes are always more complicated to insure than primary homes. In addition to having fewer insurers to choose from, owners of secondary homes may be required to install central fire, burglar and low temperature alarms, hire a caretaker, make sure the home is accessible year around, and winterize the plumbing.

Business Pursuits

With more and more people working and learning from home, the lines between personal and business has been completely blurred, and in many cases, almost to invisible. Homeowners should review their plans to use their home for business with the insurer. Another timely consideration is home-schooling pods, a unique 2020 concern which should also be reviewed with an insurance agent for coverage considerations. Home-based businesses such as woodworking, bakeries, boat building, and any situations where clients regularly visit the home, can often disqualify one from a homeowner's policy all together.

Renovations

It makes perfect sense to renovate a home immediately after purchase – just make sure that the buyer communicates their plans with their insurer. Especially with such limited inventory, buyers cannot afford to be picky so there's a strong likelihood someone will want to modify the home to suit their tastes and need. Depending on the extent of the renovation, a buyer might not even be eligible for a homeowner's policy. In an instance such as this, the buyer might need to secure a builders risk or course of construction policy which greatly limits coverage and often costs far more than the equivalent homeowners' policy.

Vacation Rental

The pandemic has only accelerated the trend toward more and more families eschewing traditional hotels and inns for private vacation rental homes. To meet the demand, more and more homeowners are opening up their second and, in many cases, primary homes, to these weekly tenants. Using one's home this way can have significant implications on insurance.

It would be nice if only one of these items on the list would

occur per closing, but it is often the case these issues come in twos or threes compounding the problem. Lists allow the real estate agent to keep on track and get ahead of issues before they threaten to derail the deal. Smooth deals mean happy clients which leads to more referrals.

On-Demand Webcast: Winds of Change: How Offshore Wind Farms Will Change the Landscape of Maritime Workers' Compensation

Wind energy is poised to eventually be the dominant source of power in the United States.



As companies ramp up their workforce to support activities related to wind farm construction and maintenance, it's critical to understand the various workers' compensation laws that impact this sector. In this webcast, our [Dan Bookham](#) joins colleagues from American Equity Underwriters to discuss:

- The various workers' compensation laws that impact the wind energy sector

- Jurisdiction issues unique to offshore wind farms
- Old laws that will be interpreted to meet new circumstances

View the webcast: <https://loom.ly/bbj7q4w>

Checklist: Winter Storage for Boats

Source: PatriotInsuranceco.com

Sadly, boating season will come to an end soon, and Old Man Winter will be paving the way for snowmobiles. Winter storage for boats takes some careful planning. If you follow a checklist, winterizing your boat can be easy, ensuring your boat will be in great shape come spring.



For safe winter storage for your boat, follow our checklist:

Inspect for damage.

- Thoroughly inspect the boat for any damage. Repair now, if possible.
- Check electrical systems and appliances to make sure they are functioning properly (make repairs before storing the boat, if possible).
- Check the battery to make sure it is fully charged before

storing.

Prep the fuel system.

- Fill the fuel tank but leave enough room for expansion.
- Treat the fuel with a stabilizer, then run the engine for 10 minutes to get it circulating throughout the engine.
- Seal the fuel valves.

Winterize the engine.

- Change the oil and replace filters.
- Flush the engine with fresh water, then let it drain.
- Wash the engine with soap and water. Rinse thoroughly.
- Fog the engine cylinders with an aerosol fogging solution.
- Lubricate the engine's grease fittings.

Flush the cooling system.

- Drain any remaining coolant.
- Run a less toxic propylene glycol antifreeze through the system.

Clean inside and out.

- Clean the boat inside and out, removing any plant life or barnacles.
- Remove any valuables from inside the boat.
- Take out any food or drinks.
- Bring home any cushions and store them in a cool, dry place.

Store your boat.

- Remove the battery and store it in a safe, dry spot.
- Consider purchasing a dehumidifier for the storage area to help prevent mildew.
- Lock your boat (and leave a key with the marina manager,

if applicable).

- Cover and store your boat.
- Check your boat periodically or have the marina check it and report to you.

Then, when spring comes around, make sure you have the right protection for your boat. Talk to an Allen Insurance representative about boat insurance.

Meesha Luce Earns Safeco Insurance® Award of Excellence for Superior Underwriting Skill



Meesha Luce

Meesha Luce, ACSR, a personal insurance account executive with Allen Insurance and Financial has earned the Safeco Insurance Award of Excellence, an honor recognizing superior underwriting skill.

This is Luce's sixth consecutive year earning this recognition,

which is achieved only by a select group of agents across the country who sell Safeco Insurance.

“Meesha is part of a personal insurance team working hard every day to make sure we deliver the highest level of service to our customers. We are all very proud to say that Meesha is again part of this elite group of insurance agents honored by Safeco,” said Michael Pierce, president of Allen Insurance and Financial.

The Safeco Award of Excellence honors outstanding agents who have developed a solid underwriting relationship with Safeco and whose agencies have qualified for the Safeco Insurance Premier Partner Award, the company’s top recognition program. Fewer than 10% of agencies who sell Safeco have agents who receive this award.

Luce, a resident of Jefferson, joined Allen Insurance and Financial in 2006. She has been a member of the Maine Insurance Agents Association Young Agents Committee since 2013, was named Maine’s Young Professional of the Year in 2017 and is the vice chairman of the Maine Young Agents Committee.

Allen Insurance and Financial is a multi-year President’s Award and Premier Partner agency, recognition given only to the best independent insurance agencies that sell Safeco. Safeco is a Liberty Mutual Insurance company.

Insurance Superintendent Says

Even Mainers Outside of Flood Zones Should Consider Flood Insurance

From the Maine Bureau of Insurance, 6/1/2020

With the National Oceanic and Atmospheric Administration (NOAA) predicting more named storms, more hurricanes and more major hurricanes during the 2020 Atlantic hurricane season, Maine Insurance Superintendent Eric Cioppa strongly recommends that all Mainers consider purchasing flood insurance, even those who live outside of federally designated flood zones.

The Federal Emergency Management Agency (FEMA) reports that in recent years hurricanes have caused above average flooding, with more than 40% of flood claims submitted from outside of high-risk flood areas between the years 2014 and 2018.

“No matter where we live, it’s important that we all understand our flood risk, and what it could cost us,” Cioppa said. “Don’t wait until there’s an imminent threat. Now is the time to call your agent to get a quote and purchase coverage. You can purchase a flood insurance policy at any time, but there is usually a 30-day waiting period for coverage to take effect.”

Mortgage lenders generally require homes in flood zones to have flood coverage, but it is usually an optional purchase for all others. Many people assume incorrectly that their basic homeowners or renters insurance policy will cover damage from flooding, but flood coverage must almost always be purchased separately.

A homeowners or renters policy may pay for water damage inside a

house, such as damage from an ice dam or a burst pipe, but it will usually not pay for unusual or rapid accumulation or runoff of surface waters, such as those caused by snowmelt or torrential, soaking rain.

The Atlantic hurricane season officially runs between June 1 and November 30 each year.

Recommended related resources include:

Flood Insurance: Details are available from the National Flood Insurance Program (NFIP) by calling 1-800-427-4661 or online at <https://www.floodsmart.gov>.

Inventory Checklist: A checklist can help establish an insurance claim. Start one at <https://www.maine.gov/insurance/consumer/individualsfamilies/homeownersrenters/homeinventorychecklist.html> and keep a hard copy in a secure location away from your home, with insurance policies, medical records, and other important documents.

Emergency Preparedness: For information about preparing yourself and family for emergency situations, such as floods, storms, power outages and home fires, visit <https://www.ready.gov/> The Maine Emergency Management Agency (MEMA) provides Maine specific information at <https://www.maine.gov/mema/maine-prepares/>.

Consumers with questions about insurance matters can obtain information and assistance from the Maine Bureau of Insurance by visiting maine.gov/insurance, calling 800-300-5000 (TTY 711), or e-mailing Insurance.PFR@maine.gov

Current Topic: Employment Practices Liability Insurance

In the time of COVID-19, employers in Maine and across the country have had to make numerous and significant decisions about how to manage their business, developing and implementing policies and procedures addressing remote work, layoffs, furloughs, pay cuts, workplace conditions, and a host of other issues.

Employment Practices Liability Insurance for employers covers employment-related liabilities other than on-the-job injuries. This can include legal fees and damages for suits such as wrongful termination, discrimination, sexual harassment and other alleged violations of employees' legal rights.

Recognizing that smaller companies now need this kind of protection, some insurers provide this coverage as an endorsement to their Business Owners Policy (BOP). An endorsement changes the terms and conditions of the policy. Other companies offer EPLI as a stand-alone coverage.

The cost of EPLI coverage depends on your type of business, the number of employees you have and various risk factors such as whether your company has been sued over employment practices in the past. The policies may reimburse your company against the costs of defending a lawsuit in court and for judgments and settlements.

Your EPLI policy could cover legal costs, whether your company wins or loses the suit. Policies also typically do not pay for punitive damages or civil or criminal fines. Liabilities covered by other insurance policies such as workers compensation are excluded from EPLI policies.

The number of lawsuits filed by employees against their employers has been rising, especially during the current pandemic. While most suits are filed against large corporations, no company is immune to such lawsuits.

These are important and complicated matters. We find the best way to address them is by personal conversation. We're here to help.

Source: Insurance Information Institute

Insurance for Aquaculture Operations

Insurance is just one tool used to manage risk for a business. This basic guide is designed to help make you aware of the various exposures you may have and the types of insurance protection available. Identifying risk and determining methods and techniques to address that risk is the key to our relationships with our clients.

Aquaculture businesses offer a unique combination of activities and exposures which are both land and water based – and results in a unique set of risks. You should always feel free to ask questions of your insurance agent.

THERE ARE POLICIES TO PROTECT

Liability arising out of your operations or the products you sell: Commercial general liability insurance is a standard insurance policy issued to businesses to protect them against

3rd party liability claims for bodily injury and property damage arising out of premises they own, operations they conduct and products they sell.

Your property: Insurance can cover physical assets which can be classified as real property – this includes buildings and structures built on the land and business personal property (contents), which includes furnishings, fixtures and equipment and inventory in/on or adjacent to those structures.

Your equipment: Coverage known as inland marine insurance is property insurance designed to cover the things which can be moved around (mobile equipment, gear, etc.).

Shipment of your property: Transportation insurance is a policy offering coverage on the insured's property while it is in overland transit from one location to another on any necessary mode of transport, including transport by land, air and water. Coverage applies when insurance is desired on property owned by you, whether the property is shipped in your vehicles or in public conveyances. Coverage can include spoilage arising from overturn or failure of refrigerating equipment

Shipment of your product overseas: Ocean cargo insurance is a type of insurance covering goods being shipped overseas (air or ocean), with coverage provided from the point of origin (your place) to final destination.

Piers/docks/wharves insurance: This provides property insurance for your (owned or leased by you) piers, wharves and docks, floats, platforms, gangplanks, pilings, wiring, pipes, (water lines, gas lines, electrical power, lighting fixtures and equipment permanently affixed).

Your heating-cooling-refrigerating-circulating equipment: Equipment breakdown insurance provides coverage for loss due to

mechanical or electrical breakdown of equipment, Coverage applies to the cost to repair or replace the equipment and any other property damaged by equipment breakdown. (Spoilage of your product.)

Your money/your assets: Commercial crime insurance protects a business from losses arising out of business-related crime. Protection through the policy can cover cash, assets, merchandise or other property loss when someone perpetrates fraud, embezzlement, forgery, misrepresentation, robbery, theft or any other type of business-related crime on the company.

Any and all online activities: Cyber insurance is designed to cover consumers of technology services or products. More specifically, these policies are intended to cover a variety of both liability and property losses which may result when a business engages in various electronic activities, such as e-commerce, collecting confidential data (customers & employees) within an internal electronic network and the myriad of banking activities. An increasing exposure is created by connection to the grid for utility services and the operation of manufacturing equipment with Internet or cloud-based systems.

Damage to your vessel(s) including barges and floating work platforms: Commercial hull insurance provides coverage for physical loss or damage to a vessel's hull and machinery (for those listed on your policy). Trailers can be included on a hull policy as can coverage for simple pollution cleanup.

Liability arising out of your ownership and operation of vessel(s): Protection & Indemnity provides coverage for a vessel owner's or operator's liabilities arising out of the operation of vessels listed on your policy such as damage to third party property, third party bodily injury or injury/death to a crew member.

Clean up and expenses arising out of a pollution event: This is a type of coverage created specifically to manage the costs associated with pollution clean-up (from a vessel) as defined in the Oil Pollution Act of 1990 and or state and local regulations.

Vehicles and trailers you own or lease: A commercial auto policy includes auto liability (injury or property damage to a 3rd party) and auto physical damage coverages (comprehensive & collision) as well as medical payments for passengers within your vehicle (excluding employees).

Injury to your employees: Coverage for injury to an employee may be provided by either your state act workers compensation or the Jones Act. Understanding which applies to your employees is essential to managing this risk.

Employment practices liability: This type of liability insurance covers wrongful acts arising from the employment process. The most frequent types of claims covered under such policies include: wrongful termination, discrimination, sexual harassment and retaliation.

You may want or need a number of insurance policies (including those listed above or others), depending on your operations, activities and your appetite for risk.

Your insurance policies may all come from the same company or they may come from several different companies. As an independent insurance agent, we can help you identify risk, formulate solutions to address those risks and develop insurance coverage appropriate and specific to your business.

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