

Commercial Risk Advisor

July 2018

Debate over potential reforms to the NFIP has caused lawmakers to issue six short-term extensions to the program instead of a comprehensive renewal.

NFIP Changes Needed as Hurricane Season Begins

Although hurricane season generally takes place between June and November each year, the National Flood Insurance Program (NFIP) that many businesses rely on for financial protection is set to expire on July 31. The extensive damage caused by major hurricanes in 2017 highlighted a number of issues with the program, and debate over potential reforms caused lawmakers to issue six short-term extensions to the NFIP since September 2017 instead of a comprehensive renewal.

Here are some changes that have been suggested to improve the NFIP:

- Make private flood insurance more available to consumers.
- Limit payments to properties that flood repeatedly.
- Create financial incentives for flood risk mitigation.
- Move toward a risk-based rate system.
- Improve flood mapping programs.

While businesses continue to wait for flood insurance reform, it's more important than ever to prepare for any risks from hurricanes, floods and other disasters. Here are some ways to prepare in advance:

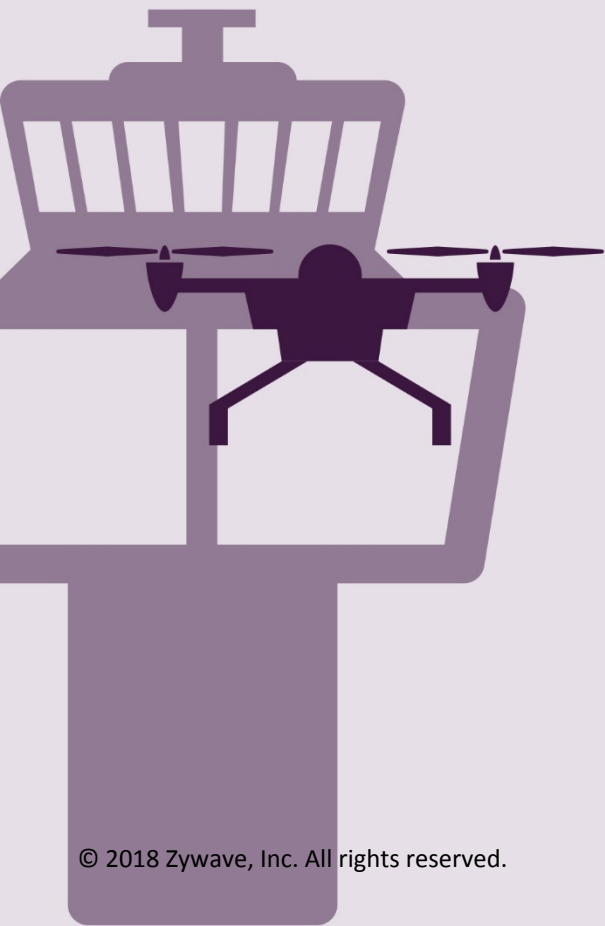
- Learn what types of disaster are most likely to affect your business. Even if your area isn't prone to hurricanes or floods, you could still be at risk from fires or earthquakes.
- Look over your insurance policies to see if there are any gaps in coverage. For example, some policies only provide coverage if a business is physically damaged.
- Plan ahead for what your business will do if a disaster forces it to close for an extended period. Call us at 203.834.5900 for resources and toolkits that can help you make a business continuity plan that includes property protection, employee training and the recovery process.

Provided by:
Tooher Ferraris Insurance Group



The FAA currently puts drones into the same category as traditional aircraft, which limits where they can go and how businesses can use them. Right now, drones can't fly:

- Above 400 feet
- Within 5 miles of an airport
- Over bystanders
- Outside of a visual line of sight



President Trump Gives Initial Support to Ending Federal Marijuana Ban

President Donald Trump recently said that he would likely support a new bill that would let individual states determine the legalization of marijuana. Although many states have legalized the medical or recreational use of the substance, the current federal ban allows prosecutors to enforce federal law everywhere—even in states that have decriminalized marijuana use.

The president's vocal support for the bill contradicts his administration's previous position on marijuana legalization. Earlier this year, Attorney General Jeff Sessions rescinded guidance from the Obama administration that adopted noninterference policies with marijuana-friendly state legislations. However, some experts believe that easing up on marijuana could benefit states by weakening illegal drug trade and increasing tax revenue.

Medical and recreational marijuana use can affect businesses through off-duty use, drug testing, workers' compensation and more. Contact us today for compliance bulletins, articles and other resources you can use to prepare for your marijuana-related risks.

New Research Supports Relaxing Drone Regulations

Although both autonomous and human-operated drones have widespread commercial applications—such as surveying land, making deliveries and inspecting unsafe locations—strict federal regulations have limited how businesses can use them. However, new research from the National Academies of Science, Engineering and Medicine (NASEM) suggests that current regulations overestimate the risks associated with various drone operations.

According to the NASEM, the Federal Aviation Administration's (FAA) current zero-tolerance risk approach to drones prevents them from contributing to safety. For example, drones that could be used to fight fires or find survivors after a disaster can't be used under current FAA requirements. The research also shows that the public would be willing to accept the risk associated with small drones, as this risk is in line with other common activities like traveling by car, swimming in a large body of water or crossing a street.