



Outside the Box with an Insurance Broker

7 Unconventional Topics addressed by our Insurance Professionals

Alcohol in the Office:

Believe it or not, it is not uncommon to see beer kegs in the offices of today's more employee friendly companies. Generally, if a company has sensible policies regarding when (and how much) alcohol can be consumed, and it is provided free of charge, there may not be serious insurance coverage concerns.

Some companies have 'weekend-warriors' who bring in their home-brew to be tapped, while others maintain on-site brewing operations and bottle their brew to send to clients. Insurance implications can arise from: people getting sick (products liability), shipping alcohol across state lines (may be illegal), payroll being accrued from non-architecture or engineering activities (workers compensation), and costly equipment on premises (property coverage).

Legalization of Marijuana in California:

The recent legalization of marijuana poses a pair of potential concerns: design services for a manufacturing or retail facility, and the Human Resources (HR) related concerns of employees. With respects to the design services for a growing facility or dispensary, professional liability insurers have varied opinions about whether or not coverage will apply. Some insurers argue that providing a scope of professional services for a facility where the use (growing) or activity (selling or distributing) violates federal law is excluded from coverage. Other insurers have concluded there is no coverage issue. In the absence of actual claims, most professional liability insurers have not and will not address coverage questions without specific circumstances and claim details. Hence, consulting with your broker and insurer is a must if you elect to venture into this area. Finally, firms need to consult with Employment Counsel on HR related issues, especially firms with contracts which may include strict drug use related provisions.

Unsecured Internet Access while Traveling:

We all need to practice good personal cyber hygiene while on the road. Open Wi-Fi networks at airports, on airplanes, as well as free internet access at hotel business centers are the last places you should access anything personal or confidential. This includes innocuous tasks like checking-in for flights using your airline account which may include significant personal and credit card details. Here is a personal experience described by a DRA Sales Executive who travels frequently for business "I personally used to hook-up my smartphone to rental car Bluetooth, and have since realized that is a big time no-no. Now, I always try to rent cars with the ApplePlay feature (see also Android Auto) since these systems are designed to display your smartphones screen and none of your personal data stays behind."

Participation in A Ride Share Program(s):

Both cost conscious and eco-friendly, ride share programs are appealing to both individuals and businesses. As they pertain to insurance, all vehicles operated in California must be insured and rideshare programs include a minimum level of third party auto liability coverage. The liability limits can range from the state minimum up to a \$300,000 combined single limit or more, and the cost is impacted by the drivers' age and driving record. Physical damage for collisions, dents, flat tires and windshield cracks may be insured subject to a damage fee charge which can range from \$500 to \$1,500. Depending on the individual's driving record, a damage waiver may be available for an additional charge. Claims exceeding the insurance coverage provided by the ride share service may impact the hired auto coverage carried by the firm. Similar to ride share programs, bike share programs are gaining more traction in congested

cities throughout the US, including large urban areas in California. Although the mode of transportation is different, a bike share program presents liability concerns similar to those of ride share programs. The most important risk management advice for both ride and bike share programs is to read the agreement carefully and consult your broker if you have questions.

Toddlers and Children in the Workplace:

One of DRA's clients considered designing a flex-space in the office for employees to bring their children to work. There is a trend to allow new moms to bring newborns up to six months old into the office with the expectation that the result would be increased productivity by getting moms back to work faster, and not fretting about their new loved one. Taking the concept beyond newborns may not be sensible as the workplace may not be the best place for young children. Unfortunately for our client, their insurer would not agree to insure the exposure. Offices are generally not designed with active children in mind as there are an abundance of injury dangers and opportunities for inappropriate activity. Perhaps the best solution to meet the firm's objective is to make an arrangement with a reputable daycare provider to own and operate a totally separate facility which is available for use by the firm's employees. The most important questions for the firm are, do you want to be in the business of providing daycare and do you have expertise in providing that service?

Gender Neutral Bathrooms:

The subject of bathroom access has become a hot topic. Should we have three sets of bathrooms, no designation and therefore all unisex, or some other configuration? What if you address the issue by allowing gender neutral staff to work remotely from home? Is there potential for a discrimination lawsuit from other employees who were not offered the same opportunity? One suggestion is to post an interior sign reminding people who enter a bathroom that it is gender neutral to ensure they have locked the door. Other measures to implement are common signage, policies, and security practices for employees and guests to properly address inappropriate access and gender preference use. Finally, the best of intentions does not always avoid disputes; so it is recommended that you confirm that your employment practices coverage is sufficiently broad to cover the exposure.

How much personal home and auto insurance to consider:

An individual's risk tolerance will always be an important factor in the amount of insurance they purchase. Other considerations are age, living situation and personal assets. For many, insurance is a place to potentially cut costs which seems effective until you have an accident or claim. Given the litigious environment in California, consider a \$500,000 auto liability limit and homeowner/renters liability. Purchase of a personal umbrella policy of \$1,000,000 or more may also be prudent. Personal property insurance (including earthquake) should be evaluated since you could easily live without a television and couch, but not without a place to live. Finally, given the extraordinary number of uninsured and underinsured vehicles in California, uninsured/underinsured coverage for personal vehicles should be equal to the automobile liability limit.

Do you have others questions that need answers? Ask us.

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