



# Main Street

## INDUSTRY NEWS

### INSIDE

*Self-Driving Vehicles:  
More Fear than Acceptance » 7*

*The Reality of  
Wildfire in the West » 13*

*Insurance Rates  
Continue to be Soften » 17*

*Insurance Companies  
& Fortune 500 » 20*

*The Private Flood Insurance  
Market: It's Growing » 21*

 **PROFESSIONAL  
INSURANCE AGENTS**  
NEBRASKA IOWA  
*You're independent but **never** alone.™*





INDEPENDENT  
INSURANCE  
AGENT



## ***More than a trusted brand, AAA is the perfect lead – and close.***

Every sale has a beginning and end. And AAA can help your independent agency with both. Add AAA to your product mix and grow your bottom line selling quality insurance through AAA and the extensive benefits of AAA Membership – an unbeatable combination of security and savings.

If you're ready to grow, we're here to help with the products and support that can help you earn more.

- Quality insurance with competitive rates ■ Powerful brand recognition
- Sales manager support ■ Product training ■ Extensive marketing co-op program
- Competitive commission on insurance and membership

**Contact: Donna Kimmes, Regional Sales Director • 952-707-4952 • [donna.kimmes@mn-ia.aaa.com](mailto:donna.kimmes@mn-ia.aaa.com)**

# Did you know?

**Did you know** that PIA's company council, The PIA Partnership, has conducted nationwide research about the insurance buying preferences of small business owners?

The research is encouraging because it found that small business owners strongly prefer independent insurance agents as they make choices in today's online world.

However, the results also serve as a wake-up call that agents must take steps to continue to demonstrate their value and also be more engaged online.

PIA and the companies belonging to The PIA Partnership have created a public website that helps agents understand PIA's findings.

PIA members also have access to a private website containing a series of strategies and tools to help them stay ahead of online competition in commercial lines.

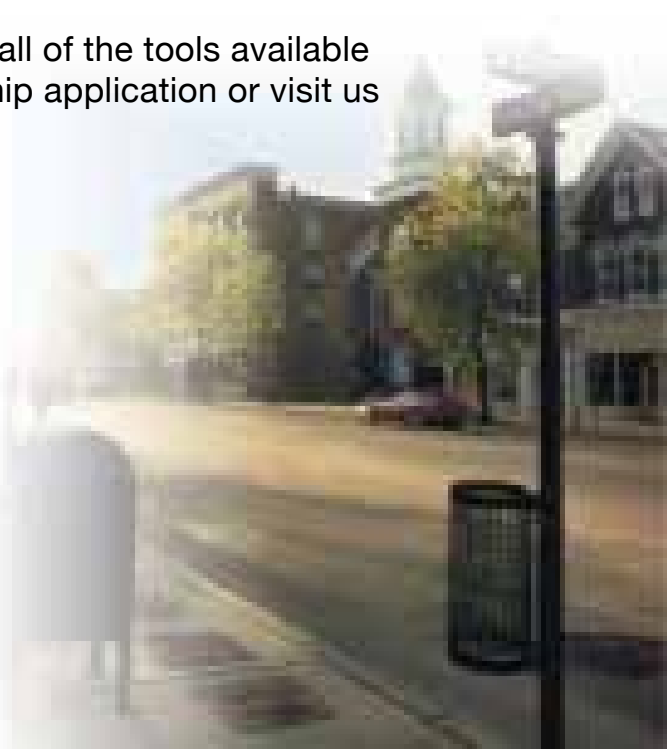
To access the newest PIA Partnership project, ***Small Business Insurance & The Internet – The Voice of the Commercial Lines Customer***, visit us at [www.pianet.com/voiceofthecustomer](http://www.pianet.com/voiceofthecustomer).

If you are not a PIA member and want to access all of the tools available through this program, contact us for a membership application or visit us online at [www.pianet.com/joinpia](http://www.pianet.com/joinpia).



Local  
Agents  
Serving  
Main Street  
America™

**National Association of Professional Insurance Agents**  
400 N. Washington St., Alexandria, VA 22314-2353  
[www.pianet.com](http://www.pianet.com) | [membership@pianet.org](mailto:membership@pianet.org) | (703) 836-9340



# Contents

## **Self-Driving Vehicles:**

### **More Fear than Acceptance | 7**

In the last few weeks we've witnessed several deaths and incidents involving self-driving vehicles.

### **Work Comp & Small Business Clients | 8**

Here's a challenge for the independent insurance agent selling or specializing in workers' compensation.

### **PIA National's Jon Gentile on NFIP Reauthorization | 10**

PIA National — and other insurance associations and groups — have made their stance on the issue no secret. The National Flood Insurance Program (NFIP) reauthorization needs to happen now and not later.

### **The Reality of Wildfire in the West | 13**

Wildfires are exploding across the West again. So far this year 3.3 million acres have burned. While slightly below last year's acreage, it is very much a concern.

## **Not Unexpected:**

### **California Carrier Stops Policy Renewals | 14**

AAA of Southern California is going to stop renewing homeowners policies in very high-risk areas exposed to potential wildfires.

### **Insurance Rates Continue to be Soften | 17**

The report is *Advisen's RIMS Benchmark Survey for 2018*. It says business insurance premiums are continuing to be soft. Only cyber insurance is seeing an increase you could call significant.

### **Insurance Companies & Fortune 500 | 20**

Seven property and casualty insurers have ended up in the top-100 largest revenue companies measured by Fortune.

### **The Private Flood Insurance Market: It's Growing | 21**

PIA National wants flood insurance reforms. On its website PIA National said it is, "Working with

members of Congress to support legislative solutions to create sensible options for growing the private flood insurance market, promoting flood risk management policies, transitioning to risk-based rates and reforming the NFIP."

### **Traffic Fatalities: Some Surprises | 23**

Traffic fatalities are on the rise. That's no secret. In the last four years they're up because — some experts say — of increased responses while driving to texts or Facebook or Instagram posts.

### **Your Employees, SmartPhones & Driving | 27**

Many of you are business owners with employees driving here and there on company business. Some of you are employees doing the same.

## PIA NE IA EVENTS

**Professional Insurance Agents NE IA and The National Alliance Nebraska and Iowa CIC & CISR Designation | 25**

**Greater Metro Omaha Committees Annual Scholarship Golf Outing: Thursday, September 6th, 2018, Ashland, NE | 26**

**Upcoming Events Calendar 2018 | 28**

## ADVERTISEMENTS



**Contact us to place an ad. Cathy Klasi, Executive Director (402) 392-1611**

Think  first



Always alongside you.



**farmers mutual**  
of nebraska

**Andy Kraus, CPCU** | Vice President of Agencies | 800.742.7433 | [akraus@fmne.com](mailto:akraus@fmne.com)

[fmne.com](http://fmne.com)



# Main Street INDUSTRY NEWS

---

## PIA FOR NEBRASKA AND IOWA

---

PIA Association for Nebraska and Iowa is committed to focusing its resources in ways that cast the most favorable light on its constituents. We are dedicated to providing the type of programs, the level of advocacy, and the dissemination of information that best supports the perpetuation and prosperity of our members. We pledge to always conduct ourselves in a manner that enhances the public image of PIA and adds real value to our members.

---

## SUBSCRIBE OR COMMENT

---

### Professional Insurance Agents NE IA

Attention: Editorial  
Main Street Industry News  
920 S 107 Avenue, Ste. 305  
Omaha, NE 68114

Email: [office@pianeia.com](mailto:office@pianeia.com)  
Ph: 402-392-1611  
[www.pianeia.com](http://www.pianeia.com)

The PIA NE IA, **Main Street Industry News** reserves the right to edit your comments to fit space available. We respectfully ask that you keep the comments to 200-300 words.



**Join Our Facebook Fan Page**  
Professional Insurance Agents of NE IA

---

## ADVERTISING QUESTIONS

---

**Cathy Klasi, Executive Director**  
(402) 392-1611

.....  
This publication is designed by **Strubel Studios**.

# IS YOUR E&O X-DATE HERE?

## *Considering a change?*

## Let the PIA quote your E&O

## Steve Bailey

**(402) 392-1611**  
**Steve@pianeia.com**



*E&O Coordinator  
Steve Bailey*

# SELF-DRIVING VEHICLES

## MORE FEAR THAN ACCEPTANCE



In the last few weeks we've witnessed several deaths and incidents involving self-driving vehicles. The most media coverage came from the Uber Volvo in Tucson, Arizona that ran down and killed a pedestrian pushing a bicycle across the road.

The National Transportation Safety Board (NTSB) is investigating and found the vehicle's emergency braking system was disabled. The radar system saw the pedestrian six-seconds before the collision. The "self-driving system software classified the pedestrian as an unknown object, as a vehicle, and then as a bicycle with varying expectations of future travel path," the report said.

At 3.1 seconds before the crash, the system determined emergency braking was needed but the braking system was disabled in order to reduce "erratic vehicle behavior."

It's reports like this that make many of us squeamish about riding in or being in traffic

with a self-driving vehicle. A survey by AAA says that fear is growing and not abating.

### AAA SURVEY

73% say they would be too afraid in a fully self-driving vehicle. That's up from 63% in January's survey.

20% say they'd trust a self-driving vehicle.

7% were unsure.

83% of women are too afraid to ride in one.

63% of men are too afraid to ride in one.

64% of Millennials say they are too afraid. That compares to 49% in January. The odd thing about that fact is Millennials are usually the first to accept new technology.

Greg Brannon of AAA said, "Despite their potential to make our roads safer in the long run, consumers have high expectations for safety. Our results show that any incident involving an autonomous vehicle is likely to shake consumer trust, which is a critical component to the widespread acceptance of autonomous vehicles."

**Sources:** *Insurance Journal, Las Vegas Review-Journal*





# WORK COMP & SMALL BUSINESS CLIENTS

Here's a challenge for the independent insurance agent selling or specializing in workers' compensation. That line of insurance is confusing to a lot of small business owners.

A poll just finished by Insureon and Manta say 25% of small businesses responding don't have work comp insurance for their workers. In addition, 30% of the 900 people responding said they weren't sure they if they are required to carry work comp for their employees by the laws in their state.



Much of the confusion — according to the two companies — comes from small businesses who operate in one state and hire remote or temporary workers from different state to work in their state. Here are some specifics:

- When asked if the state where the remote workers required workers' compensation coverage 74% said they didn't know
- 7% said definitely no
- 19% said they didn't know
- Just 70% say the purchase separate workers' compensation policies for out-of-state-workers

Insureon president Jeff Somers said, "It's really interesting that 30% of small businesses said they weren't sure if they need to purchase workers' compensation coverage. That shows more education is needed to help small business owners understand their specific state requirements and regulations."

While work comp requirements vary from state to state, over 2/3 of states require a business owner to purchase workers' compensation insurance as soon as they have just one employee. Another 14 states have less stringent requirements.

As you know, failure to meet the requirements of any state could mean big trouble and that

is especially true if they have remote workers located in different states.

"There are some serious consequences to not understanding the particular workers' compensation requirements in your state, or the state of a remote worker. Mitigating this risk starts with education and awareness — something the insurance industry can help with. It's incumbent on small business owners to do their due diligence so they understand their specific insurance needs. That might include consulting with their insurance broker or agent, or even researching online at sites like ours or state websites," Somers said.

He added that some business owners see workers' compensation as costly and it is not a top-of-the-mind insurance. That is dangerous thinking.

"In certain states, the repercussions and penalties for not having workers' compensation insurance in place can be very severe. The price employers pay for the insurance more than outweighs the potential penalties in certain states by a long shot. It's really important small business owners understand their workers' compensation guidelines so that they're putting the appropriate policies in place," Somers concluded.

**Source: Insurance Business America**

***We're proud to support the  
Professional Insurance Agents  
of Nebraska and Iowa.***



***#1 preferred business insurer\****

\*Based on 2018 survey of business insurance buyers on preference of national carriers sold via independent agents.

© 2018 Liberty Mutual Insurance. Insurance underwritten by Liberty Mutual Insurance Co., Boston, MA, or its affiliates or subsidiaries.

## PIA NATIONAL'S JON GENTILE ON NFIP REAUTHORIZATION



PIA National — and other insurance associations and groups — have made their stance on the issue no secret. The National Flood Insurance Program (NFIP) reauthorization needs to happen now and not later.

It expired on September 30th of last year, and here we are 10-months later and it's still on life-support.

Jon Gentile is PIA National's vice president of government relations. He wrote an article for *National Underwriter's* website, *PropertyCasualty360.com*. Gentile noted the NFIP extension was tagged onto a temporary spending bill but extension expires at the end of July. The temporary spending bill it is attached to goes until the end of the fiscal year.

PIA National says that's a bad decision.

"The thinking behind decoupling the NFIP from the regular budget process was that by doing so, Congress would force itself to deal with the program's reauthorization sooner," Gentile wrote.

But that — he says — didn't happen.

"More than two months after decoupling the NFIP from the rest of the federal appropriations process, the lack of any Congressional action on reauthorization finally prompted Sen. John

Kennedy (R., La.) to insert a proposal in the Senate version of the Farm Bill to reauthorize the NFIP for six months beyond its July 31 expiration date," Gentile said.

The program lapsed four times in 2010 and 2011. During that time frame it lapsed once for over a month. This time around — in 2018 — the NFIP has lapsed briefly twice.

Gentile said, "The passage of yet another short term extension of the NFIP is preferable to allowing the program to expire going into the height of the hurricane season. During a lapse, new NFIP policies can't be issued, requests to increase or decrease the scope of coverage can't be processed, and renewals can't be issued," he said.

Gentile hopes the House goes along with the Senate and extend the NFIP for another six-months. A five-year — or more — authorization would be much more preferable to the PIA.

All this delay — Gentile added — is unneeded. "We remain frustrated by Congress's inaction on a long term reauthorization of the flood insurance program, the House did pass a bill in late 2017, the 21st Century Flood Reform Act (H.R. 2487). This bill would provide a five-year reauthorization and includes PIA-supported reforms, such as overhauling the flood mapping process, allowing the use of more precise risk-assessment tools to determine premiums, and creating an appeals process for local governments or homeowners to challenge federal mapping decisions. Many of these items will benefit consumers and strengthen the future viability of the program," he said.

While much of the bill is positive, PIA opposes H.R. 2487 in the long-term because it will impact insurance agents negatively. The bill has a "short-sighted provision that would very likely lead to fewer agents selling NFIP policies. The provision in question would lower





# WE'RE POSITIVE ABOUT THE FUTURE. ESPECIALLY YOURS.

At Grinnell Mutual, we're focused on growing long-term, trusting relationships with agents and their customers. Make your future with us — and make a difference in the lives of others every day. **Trust in Tomorrow.®** Talk to us today.

AUTO | HOME | FARM | BUSINESS



[grinnellmutual.com](http://grinnellmutual.com)

Trust in Tomorrow.®

"Trust in Tomorrow." and the "Grinnell Mutual" are registered trademarks of Grinnell Mutual Reinsurance Company. © Grinnell Mutual Reinsurance Company, 2018.

something called the Write-Your-Own (WYO) reimbursement percentage by two or three points,” he wrote.

Any provisions that will lead to a cut to agent commissions is — and continues to be — a deal breaker.

“Cutting agent commissions will discourage agents from participating in the program, thereby depressing sales, and will have the unintended consequence of decreasing consumer participation in the NFIP. Any reduction in the number of policies in force will jeopardize the success of any reforms being enacted. In the aftermath of the devastation wrought by Hurricanes Harvey, Irma, and Maria last year, it is counterproductive to include a

provision that undermines the NFIP’s sales force and makes it less likely that homeowners will purchase flood insurance,” Gentile noted.

Fewer policies sold leads to more NFIP debt — it’s already \$25 billion in the hole — and more policies means a more fiscally sound program.

The bottom-line? “PIA calls on Congress to advance legislation that includes many of the provisions in H.R. 2487 but does not cut the WYO reimbursement rate. Most importantly, the time to act is not at the end of the current temporary extension. The time to act is now. Failure to act is not an option,” Gentile said.

**Source: *PropertyCasualty360.com***



# BE WORRY FREE WITH IMT



We understand the importance of partnerships and take great pride in building strong, stable relationships with our agents and policyholders. Through experienced claims expertise and high-touch customer service, we are there when we are needed most.

Learn how you can represent IMT Insurance & Wadena Insurance at [imtins.com/contact\\_us](http://imtins.com/contact_us).

## THE GROUP



[imtins.com](http://imtins.com) | west des moines, iowa



## The Reality of Wildfire in the West



Since the wildfires are an ongoing story and this is a monthly publication, it's hard to be more specific about this fire or that until the fires are under control.

Here's more statistics from the U.S. Forest Service and the Department of the Interior:

- The number of wildfires larger than 25,000 acres has nearly quadrupled from 2004 to 2014 when compared to the 1980s
- The number of homes destroyed in wildfires almost tripled from 2016 to 2017
- That number is 12,242

Wildfires are exploding across the West again. So far this year 3.3 million acres have burned. While slightly below last year's acreage, it is very much a concern.

Rising temperatures, drought and — what the National Interagency Fire Center (NIFC) said is — a buildup of forest fuels are the cause. The agency said those fuels are causing supercharged fires.

To date this year — including several fires in California, Oregon, Washington and Nevada — 2,600 homes have been destroyed. Worse, nine firefighters have died so far. That compares to 14 killed in all of 2017.

And last year — as you remember — is the second-worst fire season in history with over 10 million acres impacted.

The National Weather Service said drought is the driver of the conditions found in the states of Arizona and New Mexico and in Colorado. And all of California is facing abnormally dry conditions. The start of the fire season for California is the worst in 10-years with 220,421 acres burned as of Thursday of last week.

One wildfire we are tracking is in Nevada. It has burned over 700 square miles and has engaged 600 firefighters.

Jennifer Jones of the NIFC said the higher temperatures and the droughts have extended the wildfire season by 60 to 80-days each year. "We're not calling it a fire season anymore, we're referring to a fire year," she said.

**Sources: Associated Press, Reuters**

# NOT UNEXPECTED

## CALIFORNIA CARRIER STOPS POLICY RENEWALS



AAA of Southern California is going to stop renewing homeowners policies in very high-risk areas exposed to potential wildfires.

Spokesman Jeffery Spring said the decision is to mitigate the firm's exposure to catastrophic risk. He also said, AAA of Southern California thinks not doing so will eventually raise rates and make the company less competitive.

"Although the risk of fire has increased over the years in many California communities, we have continued to offer home insurance in the state. Over the past few years, we saw a need to re-evaluate our exposure to future catastrophic fire events," Spring said.

Basically, the policy says homes will now be assessed based on their proximity to bushes, vegetation and other

flammables. The assessment will be done via a combination of aerial photography and the physical inspection of photos.

Spring thinks this will impact maybe 1% of the homes they insure.

If a policy is not renewed AAA of Southern California said help finding a policy will be offered through the company's in-house agency or through the FAIR Plan.

By the way, AAA says four of the five counties at risk for wildfire are found in California:

- Los Angeles County
- Santa Clara County
- Orange County
- San Diego County

The fifth is Harris County in Texas.

**Source: Insurance Business America**



PIA and The PIA Partnership Present:

# CYBER 101

Essential Information You and Your Clients Need to Know About Cyber



NEW CYBER  
TOPICS  
RELEASED  
MONTHLY

CYBER 101 is a toolbox of educational resources to help educate agents, CSRs, and their clients about the seven most common cyber risks faced by small and mid-sized businesses as well as the business practices and insurance coverages that can help reduce those risks. Topic-specific PIA member webinars, interactive claims examples, and customizable general cyber educational materials are available on the website.

Visit: [www.pianet.com/pia-partnership/cyber101](http://www.pianet.com/pia-partnership/cyber101)



The PIA Partnership

## THERE IS A RIGHT TIME AND A WRONG TIME FOR YOUR CLIENTS TO LEARN ABOUT FLOOD RISK.



MAKE FLOOD INSURANCE SALES EASIER WITH FLOODBROKER.COM

Brought to you by PIA  
and Floodbroker.



FLOODBROKER.com



Floodbroker is  
available only to  
PIA members.

Contact Evan Spindelman at 855.442.4130 or  
[evan.spindelman@floodbroker.com](mailto:evan.spindelman@floodbroker.com) or visit  
[WWW.PIANET.COM/FLOODBROKER](http://WWW.PIANET.COM/FLOODBROKER)

# A RATER FOR THE CARRIERS YOU ALREADY HAVE, AND MARKET ACCESS FOR THOSE YOU DON'T



## ACCESS OPTIONS

### Wholesale Market Access

Provides agents with wholesale access to multiple carriers along with a comparative rater and web-based client manager.

	Monthly Cost	Notes
Personal Lines	\$45	For first 5 users
	\$45	Each Additional User
Commercial Lines	\$45	For first 5 users
	\$45	Each Additional User

### Wholesale Best of Both Worlds

Provides wholesale market access to multiple carriers and the ability to get quotes under your own contracts. Includes comparative rater and web-based client manager

Personal Lines	\$45	Per user per month
Commercial Lines	\$45	Per user per month



powered by  
**INSURE**



# PIAMarketAccess.com

\*Current PIA Membership Required. Available in the 50 U.S. states and DC. Carrier availability varies by state.  
Provided through partnership with InsureZone.com of Texas, Inc.



## INSURANCE RATES CONTINUE TO BE SOFTEN

The report is ***Advisen's RIMS Benchmark Survey for 2018.***

It says business insurance premiums are continuing to be soft. Only cyber insurance is seeing an increase you could call significant.

Advisen said in spite of record-breaking natural disasters and catastrophes, the average cost of risk



(TCOR) fell 3% in 2017. It adds to three previous years to total four and dropped from \$10.07 per \$1,000 of revenue in 2016 to \$9.75 per \$1,000 of revenue last year.

Not good says Advisen.

The report said the drop is driven by falling property, liability, workers' compensation, management liability and professional liability costs. And RIMS also notes that risk management administration costs are also a factor.

Advisen's David Bradford said, "Market conditions are favorable for insurance buyers. A competitive insurance market resulting from a chronic overabundance of risk capital strongly contributed to TCOR decreasing steadily since 2013."

## MORE FROM THE CYBER INSURANCE REPORT

- For cyber insurance the cost per \$1,000 of revenue jumped 33% in 2017
- The rise was 28-cents and is up from 21-cents in 2016
- The average premium per employee rose 9%
- Over the last six-years the number of companies purchasing cyber insurance is up from 35% in 2011 to 65% in 2017

Banking, education and healthcare are the industries purchasing the most cyber insurance.

Meanwhile, a separate report from Fitch Ratings said for the fourth year in a row underwriting losses for personal lines has

gone up. The first three years had losses being caused by personal auto. Ironically — said Fitch Managing Director James Auden — losses for personal auto continue but the losses in personal lines are now being led by homeowners.

"The homeowners line is traditionally a more volatile product segment, which experienced a higher combined ratio than personal auto for the first time since 2012," he said.

The combined ratio for 2017 for personal lines hit 103.8. Oddly that's as premiums continued to grow. Higher catastrophe losses are to blame.

## OTHER INFORMATION CONTAINED IN THE FITCH REPORT

- Personal auto still had huge underwriting losses in 2017 but price increases at renewal improved things
- Personal auto's combined ratio fell to 102.6 in 2017 — down almost 4 points
- Homeowners combined ratio rose to 107 in 2017
- From 2013 to 2016 the average was 92
- Personal auto has grown the fastest the last two-years at more than 7% in net-written premium growth
- Homeowners fell during the last three-years and hit only 2% net-written premium growth

**Sources: Insurance Business America, MyNewMarkets.com**



## PIA MEMBERS - ACCESS THE TOOLS, TECHNOLOGY AND SUPPORT YOU NEED TO GROW YOUR FLOOD BUSINESS

The Hartford and PIA have joined together to make it easier for PIA member agents to provide their clients with flood coverage through The Hartford. The program is available to PIA members and their policyholders in all 50 states and Puerto Rico.

### HELPING YOU MARKET

- On demand training
- Webinars
- Marketing materials and newsletter
- Dedicated Flood Sales Executive
- Access to Transfer Consultant – we make moving your flood business to The Hartford easy
- Access to Training Consultant – we help you build flood expertise

### ADVANCED TECHNOLOGY FOR EASE OF DOING BUSINESS

- Flood zone determinations
- SEMCAT and Vertafore integrated flood quote technology
- Electronic application submission
- Assistance in obtaining elevation certificates
- Technological upgrades due to legislative changes

### MEASURING YOUR SUCCESS

- Claims reporting
- Policy database download and maintenance
- Electronic movement of premium and commission funds
- Increased revenue with competitive commissions
- Reports on demand
- Repetitive loss review

### THE PIA ADVANTAGE



When you participate in PIA National's official flood insurance program from The Hartford, you have the power of PIA behind you.

PIA's dedicated staff is ready to help if you need assistance. And, you'll have access to The Hartford's Flood Insurance Marketing Support Center.

### CONTACT US

For more information about The Hartford's Flood Insurance program for PIA agents, contact your local Flood Sales Executive:

**Michele Battis**

**Phone: 704-972-5918**

**Email: Michele.Battis@thehartford.com**

**LEARN MORE AT [PIANET.COM/HARTFORDFLOODINSURANCE](http://PIANET.COM/HARTFORDFLOODINSURANCE).**



# INSURANCE COMPANIES & FORTUNE 500

How's this for special. Seven property and casualty insurers have ended up in the top-100 largest revenue companies measured by Fortune. One of the seven — Berkshire Hathaway — is in the top-five.



## SEVEN PROPERTY & CASUALTY INSURERS — FORTUNE'S TOP 100 LARGEST REVENUE COMPANIES

### 3. BERKSHIRE HATHAWAY

Previous Rank	2
Revenues	\$242,137,000
Employees	377,000

### 36. STATE FARM

Previous Rank	33
Revenues	\$78,331,000
Employees	65,664

### 60. AIG

Previous Rank	55
Revenues	\$49,520,000
Employees	49,800

### 66. NATIONWIDE

Previous Rank	68
Revenues	\$43,939,900
Employees	33,135

### 68. LIBERTY MUTUAL

Previous Rank	75
Revenues	\$42,687,000
Employees	50,000

### 79. ALLSTATE

Previous Rank	84
Revenues	\$38,524,000
Employees	42,680

### 100. USAA

Previous Rank	102
Revenues	\$30,016,000
Employees	32,705

Source: *PropertyCasualty360.com*





# THE PRIVATE FLOOD INSURANCE MARKET IT'S GROWING

PIA National wants flood insurance reforms. On its website PIA National said it is, “Working with members of Congress to support legislative solutions to create sensible options for growing the private flood insurance market, promoting flood risk management policies, transitioning to risk-based rates and reforming the NFIP.”

The reformation of the NFIP — or the National Flood Insurance Program as it is known — is a top priority of not just the PIA but of other insurance groups, realtors and realtor groups, consumer groups and environmentalists.

One of the keys to that reformation is getting actuarially sound rates for homes and businesses needing flood insurance. Another key is transferring — as the PIA National quote says — risk to the private insurance market.

That is already happening.

***Insurance Journal's Top Private Flood Insurers 2017 Market Study*** was released a couple of weeks ago and it said 50 new carriers added private market flood insurance to their lineup of products in 2017. Those 50 carriers had:

- \$630 million in written premiums
- That's a jump of \$217 million over what was written in 2016

## **MOST OF THAT PREMIUM GROWTH — 98% — CAME FROM FIVE MAJOR CARRIER GROUPS:**

Assurant

Zurich Re

FM Global

Liberty Mutual

Berkshire Hathaway

Most of the flood insurance written on the private market was in commercial lines. That figure was 64% and that is down from 66% in 2016.

### IN 2017 THE TOP-FIVE WRITERS OF DIRECT WRITTEN PREMIUM IN THE COMMERCIAL MARKET:

FM Global	\$263,281,599
Zurich Re	\$63,839,162
Berkshire Hathaway	\$27,603,275
RSUI	\$13,224,505
Allianz	\$11,704,696

### IN 2017 THE TOP-FIVE WRITERS OF DIRECT WRITTEN PREMIUM FOR PRIVATE FLOOD INSURANCE IN THE RESIDENTIAL MARKET:

Assurant	\$89,826,939
AIG	\$58,245,862
Swiss Re	\$41,571,428
Chubb	\$9,977,894
Liberty Mutual Fire	\$8,849,770

**THE REPORT SAID LAST YEAR 10 STATES EXPERIENCED PRIVATE FLOOD INSURANCE GROW IN EXCESS OF \$5 MILLION IN NEW BUSINESS. THIS IS BASED ON DIRECT WRITTEN PREMIUMS:**

Florida — \$36.5 million	\$89,826,939
California — \$23.1 million	\$58,245,862
Texas — \$20.7 million	\$41,571,428
New York — \$20.2 million	\$9,977,894
New Jersey — \$11.8 million	\$8,849,770

The ***Top Private Flood Insurers 2017 Market Study*** report is fascinating. You can [click](#) here to download the report for free.

**Sources: Insurance Journal, Carrier Management**  
**Photo by Vladimir Chuchadeev on Unsplash**



**Carrying you into the future.**

Our cutting edge technology is backed by the largest crop insurer in America with knowledgeable field staff and division offices ready to serve you in this ever-changing industry. We provide you with updated training and tools as soon as new products and processes are released, so you can focus on what's important: the success of your business and those you serve.

**Rain and Hail, the partner your growers deserve.**  
Join our team today.

**Rain and Hail**  
A Chubb Company

800.776.4045 | [www.RainHail.com](http://www.RainHail.com)  
This institution is an equal opportunity provider and employer.





## TRAFFIC FATALITIES SOME SURPRISES

Traffic fatalities are on the rise. That's no secret. In the last four years they're up because — some experts say — of increased responses while driving to texts or Facebook or Instagram posts.

Or all of the above.

Now research comes from the Children's Hospital of Philadelphia and the University of Pennsylvania School of Nursing that says half of all parents surveyed say they use their cellphones while driving.

### IN THE LAST MONTH WITH CHILDREN AGED 4 TO 10 IN THE VEHICLE

33%	say they read text messages
25%	say they send text messages
15%	use social media while driving

The study was done in 2017 and involved 760 parents and caregivers.

Study co-author Catherine McDonald of the Children's Hospital said, "Engaging with a cellphone inherently takes our attention



away from the roadway. As technology rapidly changes and accelerates, we need to intervene.”

She says this is risky behavior along the lines of not using a seatbelt or a proper child seat, and deterring that use is going to take a lot of different approaches from law enforcement and insurance. It’s obvious — McDonald noted — that hand-held phone use laws are useless.

A separate study called ***Should I text or call here? A situation-based analysis of drivers’ perceived likelihood of engaging in mobile phone multitasking*** — yes, it’s a mouthful — done by the Society for Risk Analysis says people who text while driving are six-times more likely to be involved in a crash. Those just talking on the phone are two-times as likely.

The study says we engage in that behavior — especially texting — because we’re afraid of “missing out.” It’s a separation anxiety of sort. Worse, a lot of drivers don’t consider texting while driving or talking on the phone while driving to be dangerous.

At least that’s the case in certain scenarios.

The study also found that women are more likely than men to use their mobile phone while driving. However, the more experienced the driver, the less likely they are to engage in that behavior.

#### THE STUDY CAME UP WITH FOUR PROFILES OF THOSE WHO ABUSE PHONES WHILE DRIVING

Females

Drivers who are frequent phone users for texting & calling

Drivers with a negative outlook toward safety

Drivers who are highly disinhibited

The good news? Well, if there is good news in a study like this, drivers are much more likely

to talk on the phone than text. That’s because the visual demands needed to text competes with the same demands it takes to drive.

One of the study’s authors, Oscar Oviedo-Trespalacios said, “Drivers are not good at identifying where it is safe to use their phone. It is safer for drivers to just pull over in an appropriate place to use their phone quickly and then resume their journey.”

By the way, 68% of those who participated needed convincing that texting and driving is dangerous. Those in that figure believe the effects of texting and driving are minor.

**Sources:** *Carrier Management, Insurance Journal*

## Reduce Your Agency’s MVR Expenses and Improve Your Customer Experience

### when Quoting Auto Policies

A new driver violation report is available 24/7 through a web portal for as little as 75¢ per transaction. **DocIT for Agents** by Drivers History contains traffic violation information sourced directly from court records (not the MVR). Use **DocIT for Agents** to prompt accurate violation recollection early in the quote process and reduce the occurrence of rate changes on subsequent quotes. Reduce expenses on those applicants who drop after bind due to premium increases from undiscovered violations.

Available exclusively to PIA members.

**With DocIT for Agents you’ll only order MVRs once...  
when the applicant is ready to bind!**



Contact Erin at Drivers History  
at 856.673.1286 or  
[pia@drivershistory.com](mailto:pia@drivershistory.com)

Visit [www.pianet.com/DocITforAgents](http://www.pianet.com/DocITforAgents)  
to learn about an upcoming  
PIA member webinar

# CONGRATULATIONS FOR YOUR EARNED DESIGNATION

The Professional Insurance Agents NE IA would like to congratulate everyone who has earned a designation from The National Alliance in 2017.



## *CIC Designation*

**Ms. Denise Kearney, CIC, CISR**  
Clive, IA

**Mr. Jonathon Overturf, CIC**  
MidWestOne Insurance Services, Inc.  
Pella, IA

## *CISR Designation*

**Ms. Jordanne R. Oleson, CISR, AINS**  
LMC Insurance  
West Des Moines, IA





Local  
Agents  
Serving  
Main Street  
America<sup>SM</sup>

**11:00 am  
Registration**

**12:00 pm Shotgun  
4-person scramble**

**402-392-1611  
www.pianeia.com**



**Thursday, September 6th, 2018  
Ashland, NE**



**Help us Insure the  
Future Agent by Attending!**

Name \_\_\_\_\_

Agency/ Company Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Please put me in a foursome with:

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_ 4. \_\_\_\_\_

Cost: ☐\$95 Member ☐\$100 Non Member (includes green fees, cart, refreshments on the course, prizes and dinner)

Total enclosed \$ \_\_\_\_\_ Pay by: ☐Check ☐Visa ☐MasterCard

Credit Card Number \_\_\_\_\_ Exp. \_\_\_\_\_ VCode \_\_\_\_\_

Name on card (print) \_\_\_\_\_

**DINNER ONLY RESERVATIONS ON REVERSE SIDE OF SHEET**

Mail check and Reservation Form to:

Professional Insurance Agents of NE IA, 920 S 107th Ave, Ste 305, Omaha, NE 68114

Questions? – Please contact us at [education@pianeia.com](mailto:education@pianeia.com) or 402-392-1611



# YOUR EMPLOYEES, SMARTPHONES AND DRIVING



Many of you are business owners with employees driving here and there on company business. Some of you are employees doing the same. While you or they are en route — and with how busy we all are these days — the temptation is to be on the smartphone with calls or texting or doing email checking.

Temptation often leads to action. It has the National Council on Compensation Insurance (NCCI) concerned. The council has found the frequency of workers' compensation claims up by 17.6% between 2011 and 2016. A big part of that jump is on-the-job auto accidents.

On the clock car crashes jumped 5%. Worse, over 40% of the work comp fatalities involved motor vehicle accidents.

One positive is the frequency of lost-time claims has been on a downward path since

2010 which leads back to the negative. Lost time claims from car crashes while on the job is rising steadily.

The only conclusion one can come to — and that the NCCI has come to — is the increase is due to the use of smartphones while driving. Smartphone use has doubled from 42% in 2011 to 81% by the end of 2016 and may contribute to the increase.

Here are other findings from the NCCI report:

- Motor vehicle claims — due to head, neck and other body part injuries — cost 80% to 100% more than others
- The largest increases in accidents are in the taxi-cab company class

**Source: Business Insurance**

## Upcoming Events Calendar 2018

For information and to register  
[Click Here](#) or call (402) 392-1611.

Date	Class/Webinar	Where	When
August 1, 2018	FMO: E&O Reasons & Solutions (FREE CE FOR MEMBERS)	NE/IA	Webinar: 9:00AM - 12:00AM
August 8, 2018	Contractors, Contractors, Contractors	NE/IA	Webinar: 12:00PM - 3:00PM
August 8, 2018	CPSR: Systems, Operations & Procedures	Omaha	Paul Davis Restoration
August 9, 2018	Certificates of Insurance and Additional Insureds: Making Sense of It	NE/IA	Webinar: 8:00AM - 11:00AM
August 14, 2018	A Walk Around the Farm: Farm Liability Considerations	NE/IA	Webinar: 12:00PM - 3:00PM
August 15, 2018	E&O: Reasons and Solutions	NE/IA	Webinar: 8:00AM - 11:00AM
August 22 - 24, 2018	CIC: Agency Management Institute	Lincoln	Marriott Courtyard
August 22, 2018	The New ISO Personal Auto Policy: A Look Backwards and a Look Forwards	NE/IA	Webinar: 12:00PM - 3:00PM
August 22, 2018	CISR: Insuring Personal Residential Property	Hiawatha	Kirkwood Linn Regional Center
August 28, 2018	Excess and Umbrella Fundamentals Plus	NE/IA	Webinar: 12:00PM - 3:00PM
August 28, 2018	CISR: Commercial Casualty 2	West Des Moines	LaMair - Mulock - Condon Insurance (LMC)
August 30, 2018	On Ethics: Data, Dilemmas and Knuckleheads	NE/IA	Webinar: 12:00PM - 3:00PM
September 6, 2018	Catastrophe: The Coverage Expertise You'll Need When It Matters Most	NE/IA	Webinar: 8:00AM - 11:00AM
September 6, 2018	Tricks to Fix: Closing Coverage Gaps in Home, Work and Auto	NE/IA	Webinar: 12:00PM - 3:00PM
September 12, 2018	CISR: Personal Lines Miscellaneous	Davenport	Saint Ambrose University
September 13, 2018	Street Level Ethics	NE/IA	Webinar: 12:00PM - 3:00PM

September 17, 2018	CPIA 2: Implement for Success	West Des Moines	LaMair - Mulock - Condon Insurance (LMC)
September 25, 2018	Home Business vs. Home Insurance	NE/IA	Webinar: 8:00AM - 11:00AM
September 26, 2018	CISR: Personal Lines Miscellaneous	Hiawatha	Kirkwood Linn Regional Center
September 27, 2018	Your Agency Online: Communication Cure or E&O Plague?	NE/IA	Webinar: 12:00PM - 3:00PM
October 1, 2018	Insuring the Building Project - Builders & Risk Installation Coverage	NE/IA	Webinar: 12:00PM - 3:00PM
October 2, 2018	CISR: Insuring Commercial Property	West Des Moines	LaMair - Mulock - Condon Insurance (LMC)
October 3 - 5, 2018	CIC: Commercial Multiline Institute	Cedar Rapids	Cedar Rapids Marriott
October 15, 2018	Cyber Liability - the 21st Century Peril	NE/IA	Webinar: 12:00PM - 3:00PM
October 16, 2018	A Walk Around the Farm - Farm Property Considerations	NE/IA	Webinar: 12:00PM - 3:00PM
October 16, 2018	E&O: Reasons and Solutions	NE/IA	Webinar: 8:00AM - 11:00AM
October 16, 2018	CPIA 2: Implement for Success	Omaha	Paul Davis Restoration
October 17, 2018	Commercial Property Claims that Cause Problems	NE/IA	Webinar: 12:00PM - 3:00PM
October 17, 2018	Scary CGL Exclusions	NE/IA	Webinar: 8:00AM - 11:00AM
October 17 - 19, 2018	CIC: Commercial Multiline Institute	Omaha	Omaha Marriott Hotel
October 23, 2018	Home Business vs. Home Insurance	NE/IA	Webinar: 12:00PM - 3:00PM
October 24, 2018	New Technologies, New Risks - Drones, Home and Ride-Sharing	NE/IA	Webinar: 12:00PM - 3:00PM
October 25, 2018	On Ethics: Data, Dilemmas and Knuckleheads	NE/IA	Webinar: 1:00PM - 4:00PM
October 25, 2018	CISR: Insuring Commercial Property	Davenport	Saint Ambrose University
November 6, 2018	CISR: Commercial Casualty 1	Hiawatha	Kirkwood Linn Regional Center
November 13, 2018	CPIA 3: Sustain Success	West Des Moines	LaMair - Mulock - Condon Insurance (LMC)
November 14, 2018	CISR: Dynamics of Service	Des Moines	Hilton Garden Inn Des Moines/Urbandale
November 14 - 16, 2018	CIC: Personal Lines Institute	West Des Moines	Holiday Inn Hotel & Suites
November 16, 2018	CPIA 3: Sustain Success	Omaha	Paul Davis Restoration





"We ditched the open office. Now we're going free range."

# THE CHOICE IS CLEAR

## STOP PLAYING GAMES WITH YOUR BUSINESS

Crop insurance is our only product. It's who we are and what we do.

A leader in our industry, ARMtech's stability, financial strength, and sound business practices have earned us a reputation as a successful, customer-focused crop insurance provider.

Our growth reflects the satisfaction of the agents and insureds we serve and our core mission of developing trusted relationships by providing unrivaled service and cutting-edge solutions.

Don't leave the success of your business to chance - become an ARMtech agent today.



800.335.0120 | [www.armt.com](http://www.armt.com)

ARMtech Insurance Services, Inc. is an equal opportunity provider



# Coverages You Need . . . from a Name You Can Trust!

Protecting Your Clients' Many Interests . . .



Berkshire Hathaway  
**GUARD** Insurance  
Companies

Nationwide operations • A+ A.M. Best Rating

We have agency appointments available.

Go to [www.guard.com/apply](http://www.guard.com/apply) !

- Workers' Compensation • Businessowner's Policy (Property and Liability) • Commercial Auto\*
- Commercial Umbrella/Excess • Professional Liability\* • Homeowners and Personal Umbrella\*
- Disability\* • and More (\*Select States)

Help Keep Your Agency Active If You Should Become Disabled...  
Cover Overhead Expenses With The PIA Trust

# Business Overhead Expense Insurance Plan

## BOE COVERAGE DESIGNED WITH LOCAL AGENTS IN MIND

As a PIA Member\* serving  
Main Street America, you  
have access to a high-  
quality, competitively  
priced BOE plan through  
the PIA Services Group  
Insurance Fund.

Office expenses don't stop because you become disabled. Bills keep coming in whether or not you're in the office. Those overhead expenses could become a real problem if your agency's revenues are dependent on you. With the PIA Trust Business Overhead Expense plan, you can help maintain your agency until you are able to resume your duties.



PIA SERVICES GROUP  
INSURANCE FUND

**For more information about the PIA Trust Business  
Overhead Expense Insurance Plan, please  
contact your local PIA Affiliate or call the Plan  
Administrator at (800) 336-4759.**

**Additional information is also available  
on-line at [www.piatrust.com](http://www.piatrust.com).**

\* PIA National membership, when required, must be current at all times

The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable.  
Underwritten by Unimerica Insurance Company, Association Administrative Address, P.O. Box 17828, Portland, Maine 04112-8828, under Policy Form ADI-4001-A (UIC).  
Insurance Program Administered by Lockton Affinity, LLC.