

BIG COVERAGE CHANGE

FAIR Plan More Than Doubles Business Property Limits

WITH MORE and more California businesses being forced to go to the California FAIR Plan for their coverage, the market of last resort has moved to increase its commercial property coverage limits significantly.

This should bring a semblance of relief to companies located in wildfire-prone areas, who have seen their commercial property insurance non-renewed and who have been unable to find replacement coverage.

The decision comes as commercial property rates continue rising due to inflationary pressures, but in particular for companies located in areas that are considered urban-wildland interfaces.

Businesses whose policies are not renewed and who can't find coverage in the market are able to go to the FAIR (Fair Access to Insurance Requirements) Plan for coverage. This is the market of last resort and premiums can be substantial, and the policy limits have often been inadequate to cover the full cost of a commercial enterprise's property.

New Limits

The new coverage limits per business location are as follows:

Division I commercial property program

The limit will increase to \$20 million per location from the current \$8.4 million.

Division II commercial property program

The limit will increase to \$20 million per location from the current \$7.2 million.

Policies cover damage caused by:

- Fire
- Lightning
- Internal explosion

Optional coverages are available at an additional cost, such as coverage for vandalism and malicious mischief.

FAIR Plan policies are not as comprehensive as commercial property policies, which may also cover: windstorms, hail, explosions, smoke, vandalism, sprinkler leakage, aircraft and vehicle collisions, riots and civil commotion, sinkholes and volcanoes.

We can arrange for a "differences in conditions" policy that will cover the areas in which the plan is lacking.

A final word

Before going the FAIR Plan, we can try to find coverage in the "non-admitted" market, which consists of global insurance giants like Lloyd's of London.

These entities are not licensed in California, but they can still cover properties in the state. ❖

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COMMERCIAL VEHICLE TRACKING

Digital License Plate Law Creates Privacy Headache

A NEW STATE law that allows for digital license plates to be installed on vehicles in California, may have created a privacy nightmare for employers.

The Motor Vehicle Digital Number Plates Act, which took effect Jan. 1, enables fleet and commercial vehicle owners to purchase and install digital license plates and soon-to-be-approved alternative devices for tags, stickers, tabs and registration codes that can track vehicles and make registration easier.

The new law has significant implications for fleet and commercial vehicle owners that want to track vehicles using a digital license plate or alternative GPS device, and they will need to follow the law's driver disclosure requirements to avoid fines.

What employers can and can't do

The law allows fleet and commercial vehicle owners to track vehicles through the digital license plate as long as it is "strictly necessary for the performance of the employee's duties." Employers may only monitor them during work hours.

If you choose to monitor employees, you are required to provide them with a notice, which under AB 984 must – at a minimum – include the following:

- A description of the activities that will be monitored.
- A description of the worker data that will be collected.
- A notification of whether the data gathered through monitoring will be used to make or inform any employment-related decisions, including disciplinary and termination decisions.
- A description of the vendors or other third parties, if any, to which information collected through monitoring will be disclosed or transferred.
- Names of personnel authorized to access the data.
- Dates, times and frequency of monitoring.
- Where the data will be stored and for how long.
- A notification of employees' rights to disable monitoring, including vehicle location technology, outside of work hours.



Firms that violate the law can be subject to:

- Civil penalties of \$250 for the initial violation, and
- \$1,000 per employee for each subsequent violation. For subsequent violations, penalties will be calculated per employee, per violation and per day an employer monitors its workers without proper notice.

The takeaway

With potential civil penalties at stake, employers that want to use these plates should tread carefully, legal experts say.

If you want to use them, you should revise your employee handbook to include the required notice. Additionally, if you plan to monitor employees using these plates, ensure you get their signatures on the disclosure form.

Be aware that you may need to comply with other legal requirements to protect your employees' privacy, including how you handle, store and convey data from the plates. ❖



Credit: Reviver

CONSTRUCTION HAZARDS

Safety Strategies for Heavy Equipment

THE SAFE use of heavy equipment is critical when machinery such as bulldozers, graders or ground-moving equipment is used in the construction of new homes, bridges, shopping malls or industrial structures.

The size and weight of these heavy machines make them extremely hazardous, and proper operation is required to avoid serious injury or death. Heavy-equipment injuries are a frequent occurrence during the construction of roads and commercial properties.

Even the most experienced of operators may find operating heavy equipment a challenge at times.

The basics

Prior to the start of a project, inspect all heavy machinery. Heavy-equipment inspection is crucial in ensuring that everything is in working condition and ready for safe operation.

Physically check the equipment for issues such as torn belts, worn brakes and hoses, and leaking hydraulics.

When storing machinery, ensure that the component parts are properly secured or disabled.

Moving parts such as blades and saws have the potential to cause injury and, when storing away mobile equipment, make sure that brakes are in the locked position.

The owners' manuals for the equipment should provide you with detailed information on how to properly secure equipment not in use.

Construction vehicles

Safety requirements vary depending upon the type of heavy machinery, and your operators should be well-schooled in them.

Anybody operating a piece of heavy equipment needs to be fully trained in operations and safety for that specific machine.

Some machinery also may require the use of a commercial driver's license and completion of an approved training course.

OSHA regulations are in place to ensure safe operation. The types of requirements depend on the type of construction activities performed.

For additional information, including requirements, refer to Cal/OSHA Title 8 regulations. ❖

Some Best Practices

Here are a few common safety rules for operators and ground-based workers to consider:

- **Good communication is essential** – A standardized set of hand signals should be used by the operator and signal person. Operators should know exactly where all ground-based workers are located. The equipment should have a back-up warning alarm that can be heard by all nearby workers. Two-way radios are also valuable communication tools.
- **Rollover protective structures (ROPS)** – Heavy equipment must have a ROPS that meets Cal/OSHA requirements. The ROPS is designed to protect the operator if the machine tips over. A seat belt must be worn so that the operator will not be thrown out of the seat during a rollover or upset situation. If working on slopes, try to avoid moving across the face of the slope. Operate up and down the slope face if possible. Use extreme caution when operating near open excavations.
- **Wear hearing protection when required** – If it has been determined that noise levels around the equipment could potentially cause hearing loss, always use protective plugs or muffs when working on or close to the equipment.
- **Never jump onto or off the equipment** – Operators should use the three-point contact rule when climbing onto or off heavy equipment. That means having both feet and one hand, or one foot and both hands, in contact with the ladder at all times.
- **Inspect and service the equipment regularly** – Complete equipment service in accordance with the manufacturer's recommendations. Periodic safety inspections on all components of the equipment should be done regularly by qualified personnel.

Injury accidents involving heavy equipment have a higher probability of resulting in a fatality than many other types of accidents. It is critical that your workers follow all of your company's safety rules and procedures when operating or working around heavy equipment.

WORKPLACE SAFETY

Construction Falls and the Perils of Suspension Trauma

ONE OF THE most common construction industry accidents is falls from heights, which is why it's crucial that you have in place fall protection systems for your workers.

One of the best ways to prevent injuries and death from falls is by using a fall-arrest system. But while these systems can save lives, they can cause suspension trauma if the worker is not rescued and brought to ground level as soon as possible and is instead left suspended in an upright position, with their legs dangling.

Because the worker is suspended in an upright position with their legs hanging, blood begins to accumulate in the legs. This is commonly called venous pooling (the accumulation of too much blood in the veins), which reduces the flow of oxygenated blood to the heart and brain.

Remaining in this position for a long time can cause the worker to pass out and the longer they hang in place, the more it can result in serious health problems – and even death.

Warning Signs of Trauma

- Faintness
- Nausea
- Dizziness
- Sweating
- Paleness
- Narrowing of vision

How to avoid suspension trauma

Safe, prompt rescue is the key to preventing suspension trauma. The sooner a worker can be rescued, the less likely they are to endure such trauma.

During the rescue, care should be taken to slowly put the victim back on the ground. Try to avoid suddenly letting them into a horizontal position, which can cause deoxygenated blood to flow back into the body (reflow syndrome) and cause damage to the brain and other organs – and even cause the heart to stop.

Suspended workers awaiting rescue can take some action to guard against injury, including:

- Adopting a sitting position, if possible.
- Moving into a horizontal position as much as possible.
- Using their legs to push off from a hard surface, keeping the muscles active.
- Pumping legs frequently to maintain blood flow and prevent venous pooling.

One of the primary ways to slow the progression of suspension trauma is to stand up. When standing, the leg muscles must contract to provide support and maintain balance and these actions also put pressure on the veins. This pressure, along with a series of one-way valves in the veins, helps blood get to the heart and reduces the amount of blood pooling in the legs.

Workers can “stand” by using the trauma-relief straps that are attached in pouches on the side of the fall-arrest harness. When suspended, the worker can deploy the trauma-relief straps, which provide a loop that they can put their feet into and press against to simulate standing up. ❖

More tips

- Train workers on the rescue procedures for suspension trauma and how to avoid reflow syndrome.
- Have a plan in place to rescue suspended workers quickly and get them immediate medical attention.
- Ensure that medical personnel are aware of the possibility of suspension trauma.
- When rescuing a suspended worker, do not lay them flat into a horizontal position; instead keep them sitting up with their legs straight out in front of them.
- After a rescue, keep the worker calm and monitor them so they do not faint and fall into a horizontal position.

3 STAGES OF SUSPENSION TRAUMA

Brain Circulation

- Diminished Blood Flow
- Blocked Airway
- Cardiac Arrest or Brain Damage
- Death

Heart Circulation

- Anxiety and Onset of Shock
- Heart Rate Increases
- Cardiac Irritability*

Leg Circulation

- Straps Impede Blood Return
- Muscle Venous Pump Fails
- Blood Becomes Toxic & Highly Acidic*

*Even if victim is rescued before respiratory/cardiac arrest occurs, the danger of cardiac arrest still exists due to the toxic, highly acidic blood surging back to the irritated heart (Reflow Syndrome). The danger of delayed kidney failure exists if victim is not medically evaluated after prolonged suspension.

