

# Insurance and Safety Fire Report



*\*Georgia Department of Insurance—John W. Oxendine, Commissioner\**

## USE CAUTION AROUND FIREWORKS; EVEN SPARKLERS CAN BE DANGEROUS

**W**hile sparklers and similar non-explosive fireworks are legal in Georgia, Insurance and Safety Fire Commissioner John W. Oxendine is urging citizens to use extreme caution to avoid injuries and fires when using fireworks during the Fourth of July holiday.

“Fireworks should only be used with close adult supervision,” Oxendine said. “Sparklers can burn at temperatures as high as 1800 degrees, and must be used properly.”

The Commissioner said with cities and counties cutting back because of the recession, there may be fewer public displays to attend this year.

“I hope Georgians aren’t tempted to bring illegal fireworks into the state to stage their own displays,” Oxendine said. “Besides being illegal, such activity can lead to serious injury.”

“According to the National Fire Protection Association, in 2007, U.S. hospital emergency rooms treated an estimated 9,800 people for fireworks related injuries,” Oxendine said. “On Independence Day in a typical year there are more fires reported than on any other day, and fireworks account for half of those fires.”

The law states that the definition of prohibited fireworks shall not include: “Wire or wood sparklers of 100 grams or less of mixture per item; other sparkling items which are non-explosive and nonaerial and contain 75 grams or less of chemical compound per tube or a total of 200 grams or less for multiple tubes; snake and glow worms; trick noise makers which include paper streamers, party poppers, string poppers, snappers, and drop pops each consisting of 0.25 grains or less of explosive mixture.”

The sale and use of most types of fireworks, including firecrackers, skyrocketers, and cherry bombs, is still illegal in Georgia and punishable by a maximum fine of up to \$1,000 and up to one year in jail.



Volume 1, Issue 4

June 2009

[Get Instant Information Through Our RSS Feeds](#)



[www.gainsurance.org](http://www.gainsurance.org)



### Inside this issue:

Consumer Services	2
Dublin Agent Arrested for Fraud	3
Oxendine To Host Hurricane Expo In Savannah	4
Prevent Compliance Problems	5
Questions and Answers	6



## Oxendine: 33,000 CONSUMERS HELPED SO FAR IN 2009; \$8 MILLION IN INSURANCE CLAIMS RECOVERED

In the first six months of 2009, Insurance Commissioner John Oxendine's Consumer Services and Managed Care Divisions helped 33,364 Georgia consumers settle disputes with their insurance companies, returning \$8,012,128 in insurance claims to these consumers -- money they might not have received without his help.

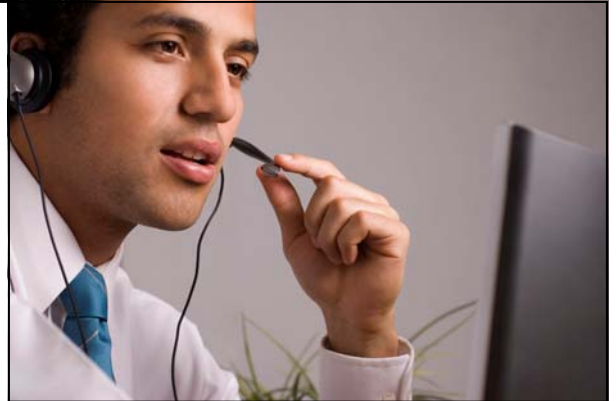
"Investigators in our Consumer Services and Managed Care Divisions work every day to help Georgians, both individual citizens and businesses," Oxendine said. "Whether the consumer has a claims dispute or simply a question about insurance, our representatives can provide invaluable expert advice."

"Our office takes calls Monday through Friday from 8 a.m. to 7 p.m., so we can offer the convenience of assisting consumers by phone after traditional working hours," Oxendine added. Specialists in Oxendine's Consumer Services Division can help with problems in life, health, auto and homeowners insurance. Consumers can call even if they just want their insurance policy explained or reviewed.

In addition to phone calls and letters, the Consumer Services Division can also take questions or complaints by email, Oxendine said. Consumers can obtain a complaint form at the Department's website at [www.gainsurance.org](http://www.gainsurance.org).

Consumers with insurance questions or problems can also contact the Consumer Services Division at 404-656-2070, or toll-free at 1-800-656-2298. Or write to: Georgia Insurance Department, Consumer Services Division, 716 West Tower, 2 Martin Luther King Jr., Drive, Atlanta, GA 30334.

Oxendine also sends field representatives to every county outside the immediate metropolitan Atlanta area on scheduled basis. Consumers can meet with an investigator for face-to-face advice on any type of insurance problem. Georgians can call the number above to find out when an investigator will be in their area.



## Flood Policy Can Be A Valuable Addition To Homeowners Coverage

Commissioner Oxendine wants to remind Georgians that a flood policy can be a valuable addition to standard homeowners' coverage.

"Purchasing flood insurance is an important consideration for Georgia consumers, even if you think a flood is unlikely in your area," Oxendine said. "Twenty-five percent of flood claims occur in areas considered medium or low-risk for floods."

Oxendine said flood coverage is federally backed by the National Flood Insurance Program. Flood insurance is available for up to

\$250,000 for damage to your home. A standard flood policy will cover the basic structure as well as the furnace, water heater, air conditioner, floor surfaces (carpeting and tile) and debris clean up.

For an additional premium, you also may buy flood coverage for up to \$100,000 damage to the contents of your home. Coverage is available up to \$500,000 for non-residential buildings and their contents.

You can buy NFIP flood insurance directly from your property and casualty insurance agent or insurance

company if your community participates in the NFIP. Your insurance agent or insurance company can confirm whether flood insurance is available to you and what it would cost. You can buy flood insurance for your home or business regardless of whether the property is in or out of a floodplain, as long as the property is located in a participating community.

It is very important to plan ahead; a flood insurance policy will not go into effect until 30 days after you buy the policy. You can obtain more information about flood insurance at <http://www.floodsmart.gov>.

## Award Announced For Industrial Loan Licensees

**C**ommissioner Oxendine has commissioned a new gold-sealed certificate, the Office of Excellence Award for Industrial Loan Licensees demonstrating steadfast adherence to the Industrial Loan Act, the Office of the Industrial Loan Commissioner and a commitment of excellence to the communities they serve.

The criteria for obtaining this exclusive distinction are:

- \* **Accuracy, compliance and timeliness with all required reporting, filings and tax submissions.**
- \* **Error free branch office audit/examinations.**
- \* **Zero justified or unsatisfactorily resolved consumer complaints**
- \* **Maximize efficiency, cost reduction and conservation through technology**
- \* **Adherence to all statutes, under the Georgia Industrial Loan Act, and Rules and Regulations promulgated by the Commissioner.**
- \* **Dedicated commitment to the community being served.**



The Office of Excellence Award may be displayed in the licensee's office as testament of excellence. Determination for the presentment of an award will be based on an overall evaluation of the above criterion by the Commissioner. The evaluations for the Office of Excellence award will begin with the audit/examinations commencing in January, 2010.



**Don't Miss the Annual Hurricane Preparedness Expo July 25, 2009 from 8 a.m. until noon in Savannah. For more information call 404-656-2092 or 912-921-0158.**

## Electronic Fund Transfer Initiated for Loan Licensees

**T**he Industrial Loan Division has initiated Electronic Fund Transfer (EFT) for Licensees interested in streamlining the payment process for their required financial transactions. The setup procedure requires a letter to our Fiscal Division by an authorized representative on your company's letterhead requesting EFT capability.

The letter should be addressed to, Director of Fiscal, 2 Martin Luther King Jr., Drive, Suite 916, West Tower, Atlanta, GA 30334. Please include your email address and a telephone number. This letter can be sent via an email attachment to [anewell@oci.ga.gov](mailto:anewell@oci.ga.gov) or faxed to (770) 408-5935. The Fiscal Division will respond with the necessary account and routing information to establish the EFT link with our bank.



## Oxendine Presents Awards In Arson Cases

On June 15, Insurance and Safety Fire Commissioner John W. Oxendine and Bud Ausborn of the Georgia Arson Control Board, Inc., presented two reward checks totaling \$5,175 to citizens of Fulton and Douglas Counties who provided information in separate fires that led to the conviction of arsonists.

The checks, in the amount of \$4,000 and \$1,750 respectively, were presented to Sgt. Mike Howell of the Douglas County Sheriff's Office, and to Lt. Michael Russell of the Atlanta Fire Department, in a brief ceremony at the Insurance Commissioner's Office. Sgt. Howell and Lt. Russell will forward the rewards to the recipients, who have chosen to remain anonymous, Commissioner Oxendine said.

The rewards were given for information that led to the arrest and eventual conviction of two suspects, one in a May 2006 murder/arson in Lithia Springs, and another in a February 2008 house fire on Tazor Street in Atlanta.

Commissioner Oxendine and the Georgia Arson Control Board, Inc., sponsor the Georgia Arson Control Reward Program and the Georgia Arson Hotline. Rewards of up to \$10,000 are given for information leading to the arrest and conviction of an arsonist. Anyone with information about a suspicious fire is asked to call the hotline at **1-800-282-5804**. Calls are taken 24 hours a day; callers can choose to remain anonymous.

Since its inception in 1979, GAC has approved 510 rewards totaling \$1,459,350.



## Oxendine To Host Annual Hurricane Preparedness Expo In Savannah

Commissioner Oxendine, the Federal Alliance for Safe Homes, WTOC-Television, the Home Depot and the Georgia Insurance Information Service will sponsor the Eleventh Annual Hurricane Preparedness Expo for coastal residents in the Savannah area July 25.

With one eye on the Atlantic, a host of government agencies and local businesses will hold workshops, demonstrations and lectures on hurricane preparedness at the Home Depot on Abercorn Street in Savannah.

"I want to thank every agency and business, and especially the Home Depot, for agreeing to work with us to get the word out about being prepared before and after a storm," Commissioner Oxendine said.

Local, state and federal agencies, businesses, and insurers will be on hand to provide information to consumers under a big tent at the Savannah Home Depot from 8 a.m. to noon.

Demonstrations will be held on weather-proofing your home and preparing for an evacuation, among other things.

Insurance company representatives will be on hand to discuss claims processing. A number of local government agencies, utilities, and fire and rescue personnel will also provide information.

Admission is free and the public is encouraged to attend.



## AGENT'S CORNER

### AGENTS TARGETED FOR IDENTITY THEFT SCAM

**I**nsurance Commissioner John W. Oxendine said agents in several states have been called by scammers posing as insurance regulators in order to collect personal data that would make I.D. theft possible.

“While we haven’t had any cases of this in Georgia yet, I fear it’s only a matter of time before this type of scam is perpetrated on agents here,” Oxendine said.

Oklahoma, Idaho, Nevada and California have reported instances of agents being targeted. In those states, callers have posed as insurance department employees requesting personal information such as birth dates, social security and credit card numbers, and threatening agents with license suspension if they fail to comply.

“No one from the Georgia Insurance Department would call you and ask for that kind of sensitive information over the phone,” Oxendine said. “If an agent is subject to a request of that kind I urge them to contact my office immediately.”

Agents can confirm that a contact originated from the Georgia Insurance Department by calling the Agents Licensing Division at 404-656-2101.



### Contract With Sircon Renewed

**T**he Department of Insurance recently renewed its contract with Sircon to provide the insurance industry with online services. These online services allow individuals and agencies to apply for license renewal, verify continuing education credits, change personal and contact information, and perform many other self service activities directly over the Internet.

The processes are paperless and fast. Georgia serves more than 150,000 active agents and agencies. Georgia online services available through Sircon allow agents or agencies to:

#### **Apply for License**

Nonresident individuals and agencies may submit new license requests or add a line of authority to an active license.

#### **Renew a License**

Submit license renewal requests in "real time" over the internet.

#### **Update Information**

Keep current name, address, phone, and email address information on file with the state.

#### **Look up Education Course Information**

Check education providers and course completions.

#### **Print a letter of certification**

Download and print an official letter stating that your license is in good standing.



## **Q&A with Commissioner Oxendine**



**Q:** We're planning to spend our vacation in a rented house this summer. Will we need insurance for this property while we occupy it?

**A:** If you're planning a trip to a vacation home, a time share, a rental property, or a home exchange this summer, keep in mind these properties might have specific insurance needs, but be careful not to waste money by over-insuring your summer vacation.

If you're renting a property or exchanging homes with another family this summer, your homeowners insurance policy might extend to the property where you'll be staying. Generally, as a renter you are not responsible for damages caused by unavoidable accidents, such as faulty plumbing. However, there are circumstances where you could be considered partially responsible for damages due to negligence, and you may be expected to pay for them.

Personal belongings you take on vacation - such as a laptop, camera or clothing - are generally covered by your primary homeowners policy. Read your homeowners policy before going out of town so that you know if there is a maximum amount it pays for a loss. If you don't feel you have enough insurance for the belongings you plan to take, you may consider additional or temporary personal property coverage.

If your secondary home or vacation home has a mortgage, your lender may require homeowners insurance just as it would for your primary residence. However, there may be additional stipulations in the policy because you only reside in the home for part of the year. As with your primary homeowners insurance, it is important to review the policy for your secondary home every year and keep an up-to-date home inventory in case you would need to file a claim following a loss.

Even if you do not plan to spend time at your vacation home, you might consider maintaining coverage for the structure, contents and your liability in the event that someone gets injured on your property while you're not there.

When reviewing your policy, remember the insurance requirements in another area may be different than where your primary home is located. Talk with an insurance agent in the area of your vacation property if you think you might need flood insurance or additional coverage against wind, hurricanes or earthquakes.

Homeowners insurance for a secondary home can have significantly different terms than your primary home's insurance policy. How a secondary property is used and how often it is occupied during the year determines the type of coverage. Insurance for these properties is typically written on a "named perils" basis. A "named perils" policy covers losses for events specifically outlined in the policy, such as lightning, explosion, theft or smoke damage.

Homeowners policies also typically provide liability coverage in case a guest is injured on your property or if you are responsible for damage to another's property. Your homeowners policy might also include medical payments coverage that would pay an injured person's medical bills to a stated limit, regardless of negligence.

There are several ways to further protect a vacation home that you may want to consider:

- General contents coverage for loss or damage to belongings permanently kept at the vacation home.
- Sewer back-up coverage or flood insurance, because water damage can be even more extensive in a home when you aren't there to either stop the flow of water or quickly remove water-damaged property. Be aware that flood insurance has a 30-day waiting period.
- Insurance companies might require homes with swimming pools to have special safety measures. These could include the installation of fencing, a pool cover or a locked gate. An insurance company could deny coverage or cancel your policy if you do not follow the policy safety guidelines or do not inform the company that you have a pool.

If you have an umbrella policy in place to provide excess liability coverage, the policy should automatically extend to any new property you purchase or rent. To be sure the umbrella meets your liability expectations and that there are no exclusions in the policy that might be triggered by the new property, read your policy before making your down payment.

