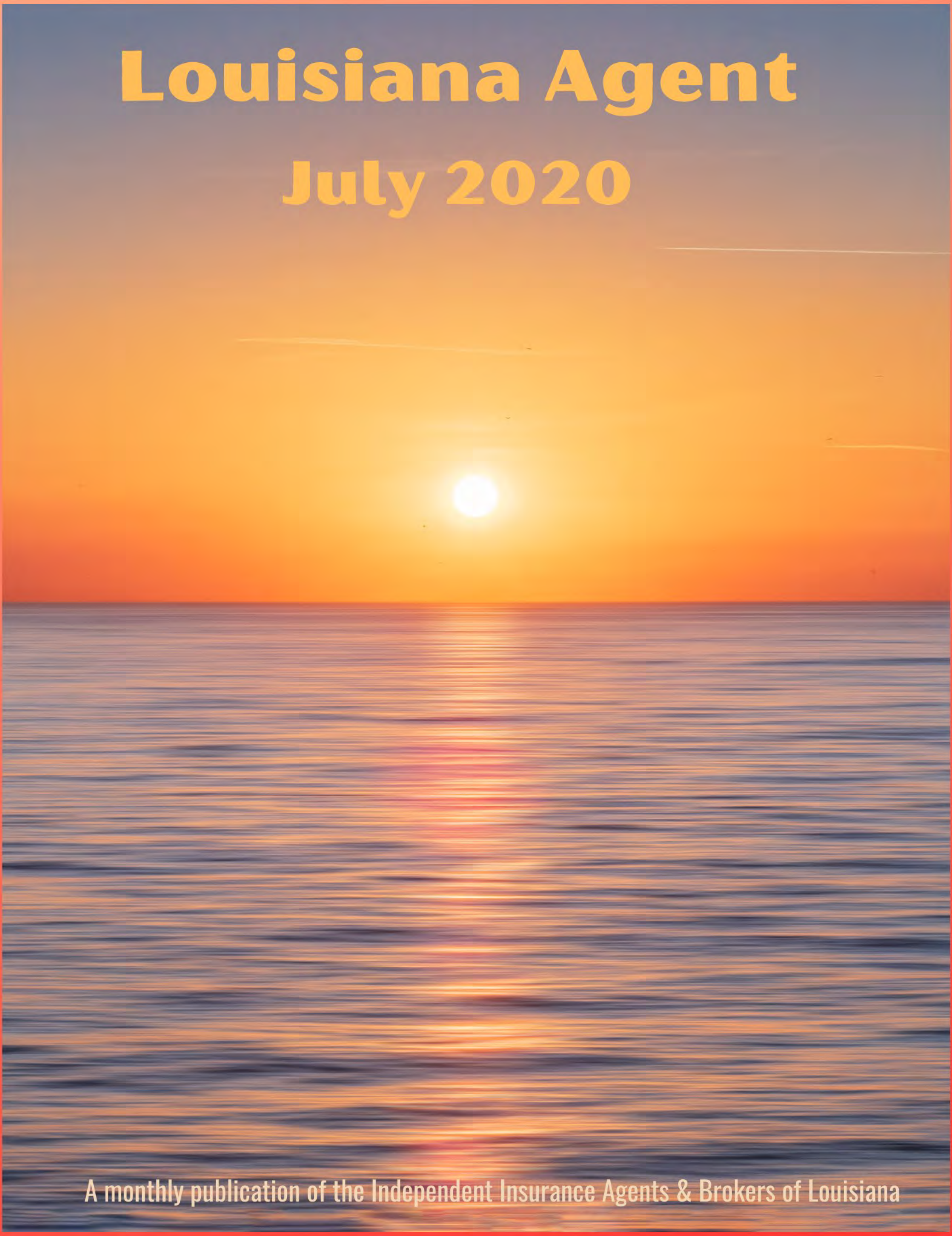
Louisiana Agent

July 2020



A monthly publication of the Independent Insurance Agents & Brokers of Louisiana

Louisiana Agent July 2020

In this issue:

2020 Legislative Session

The 2020 Regular Session of the Louisiana Legislature was one for the history books! Shortly after opening, the Session was suspended as a result of the Covid-19 pandemic. When the legislature reconvened, the focus was on how to deal with Covid liability, economic, and state budget issues.

Demand for auto/tort reform was at a fever pitch when the session started. Covid diminished the momentum and confused the strategies for passing legislation and dealing with a likely veto by Governor Edwards.

The legislative process was severely diminished because of Covid safety measures like wearing masks and social distancing, which resulted in legislators barring lobbyists from lobbying in the House and Senate chambers. It is really hard to talk to a legislator from the balcony!

As usual, there were a significant number of bills which could have caused significant problems for independent agents and the insurance industry. Thankfully, we were able to favorably amend or kill virtually all of those bills.

Following are some of the more important bills of the 2020 legislative sessions.

COVID-19 BILLS

The potential liabilities related to the Covid pandemic are potentially catastrophic. The legislature passed several bills to limit liability related to Covid, including the following:

HB 826	Pressly, Thomas (F)(R) Peacock, Barrow(R)	Provides relative to the limitations of liability due to the COVID-19 public health emergency. HB 826, now Act 336, effective 06/13/2020, protects persons, businesses, and other organizations from liability arising out of actual or alleged exposure to Covid-19 unless they failed to substantially comply with government Covid safety procedures.
	Bill History:	06-13-20 G Effective
SB 491	Hewitt, Sharon(R) Miller, Gregory(R)	Limits liability of persons who provide relief or recovery equipment or services during a declared state emergency. SB 491 provides liability protection to persons or businesses that provide products or services used during a declared state of emergency.
	Bill History:	06-12-20 G Effective
SB 508	McMath, Patrick (F)(R) Edmonds, Rick(R)	Limits liability for restaurants that provide food-to-go during a state declared emergency. SB 508, now Act 305, effective 06/12/2020, protects restaurants, their owners, employees, etc. from liability related to Covid-19 except for gross negligence or willful or wanton misconduct.
	Bill History:	06-12-20 G Effective

Tort Reform

The biggest issue of the session was tort reform aimed at improving personal and commercial automobile insurance markets and reducing Louisiana's high premiums. Following are some of the more important auto/tort reform bills of the regular session:

SB 418	Talbot, Kirk (F)(R) Garofalo, Raymond(R)		Enacts the Omnibus Premium Reduction Act of 2020. SB 418 was THE BILL of the 2020 Regular Session. This was the culmination of almost 3 years of work by IIABL, LABI and a host of other business organizations. Unfortunately, negotiations in the last few hours of the session resulted in some deeply flawed last minute amendments. Doesn't matter…Governor Edwards vetoed the bill. IIABL would like to thank…and give a shout out…to Senator Kirk Talbot, who has been a champion on this issue for two years.
		Bill History:	06-12-20 G Vetoed - Senate Bill 418 is neither a compromise nor is it a mandate to decrease rates. Further, the rate reduction in this bill is permissive, rather than mandatory.

2020 1st Special Session of the Louisiana Legislature

For only the second time in history, the Louisiana Legislature called themselves into special session, rather than deferring to the governor. And what a Special Session it was. "The Call" (which is the list of topics that can be legislated during the Special Session) included 41 topics. The two primary issues were the state budget bills and auto/tort reform.

During the Regular Session the legislature passed HB 418 by Senator Kirk Talbot, the Omnibus Premium Reduction Act of 2020. But in the last hour of the Regular Session, negotiations with Governor John Bel Edwards broke down, desperate amendments were added to the bill and the final result was tort reform that no one wanted. Thankfully, Governor Edwards vetoed HB 418 and the legislature started over with auto/tort reform again in the Special Session.

HB 57 by House Speaker Clay Schexnayder was the highlight of the Special Session.

HB 57 will:

- Lower the jury trial threshold from $50,000 to $10,000;
- Reform the direct action statute;
- Repeal the seat belt gag law;
- Change collateral source to allow judges the discretion to award no more than 40% of the difference between the amount billed and the amount paid. (Current law does not allow the court to consider the difference between the amount billed and the amount paid.)

The bill passed by a vote of **86-15** in the House and **35-4** in the Senate. It is on the governor's desk waiting for approval. Governor John Bel Edwards pledged to sign the compromise legal reform bill, and the bill is expected to become law.

More is more.

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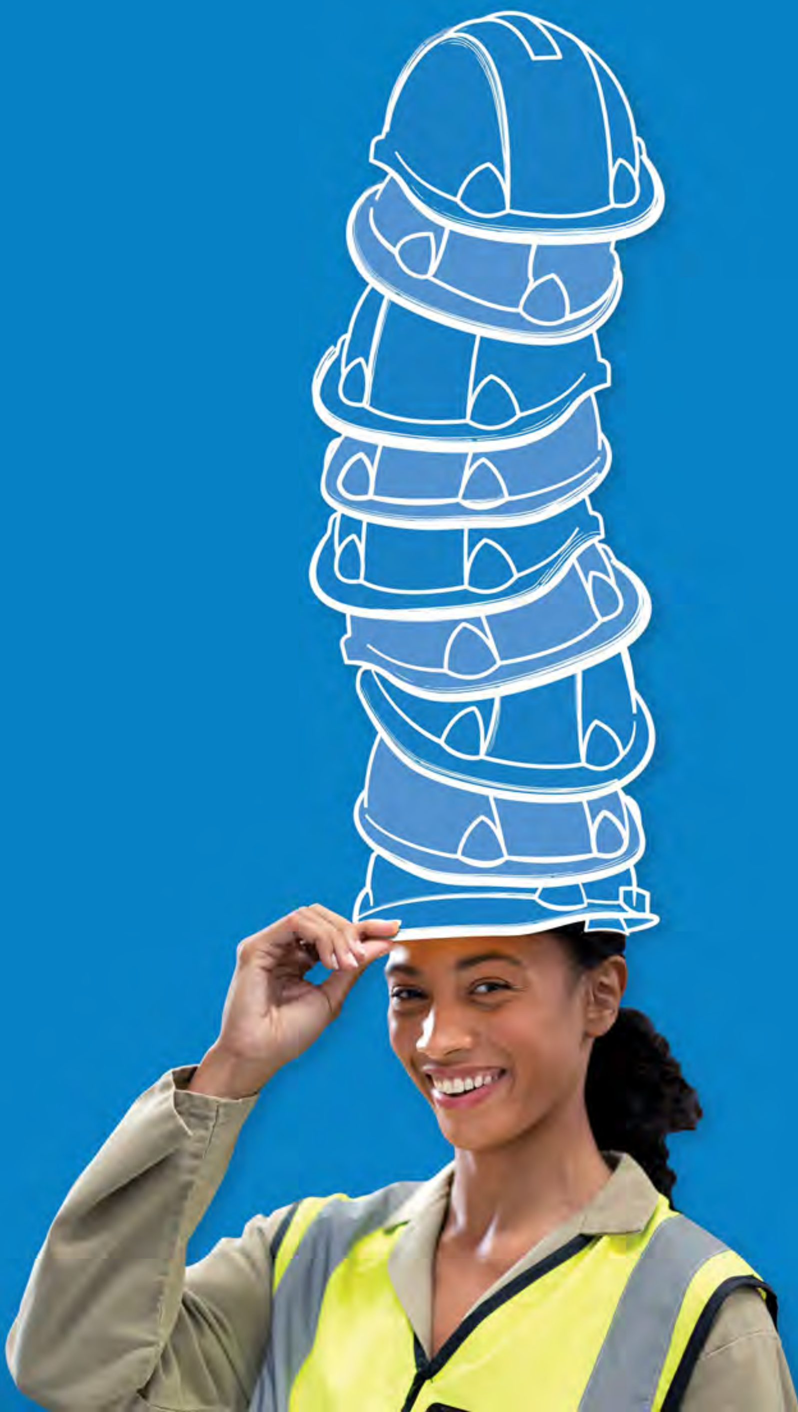
www.emcins.com/losscontrol



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Following are bills that were passed or vetoed in the 2020 1st Special Session. Governor John Bel Edwards has not acted on all of these bills at the time this report was prepared.

HB 55	Johnson, Mike (F)(R) Hewitt, Sharon(R)	Provides relative to evidence of causation from nonuse of a safety belt.
	Last Action:	6-29-20 G Enrolled
HB 57	Schexnayder, Clay(R) Peacock, Barrow(R)	Enacts the Civil Justice Reform Act of 2020.
	Last Action:	7- 1-20 G Enrolled
HB 59	Mincey, Buddy (F)(R) Pope, Rogers (F)(R)	Provides relative to limitations of liability for public school districts during declared states of emergency and public health emergencies (Item #40).
	Last Action:	7- 1-20 G Enrolled
HR 36	Magee, Tanner(R)	Requests the House Committee on Insurance to study and make recommendations regarding the effects of making the commissioner of insurance an appointed position.
	Last Action:	6-25-20 G Enrolled

SB 9	Hewitt, Sharon(R) Garofalo, Raymond(R)	Provides relative to safety belts.
	Last Action:	6-24-20 G Enrolled
SCR 3	Mills, Robert (F)(R) McFarland, Jack(R)	Creates the Task Force on Log Truck and Agriculture Vehicle Liability Insurance.
	Last Action:	6-25-20 G Enrolled
SCR 28	Jackson, Katrina (F)(D) Jones, Frederick (F)(D)	Requests that the Department of Insurance study and report on approaches taken by other southern states to reduce automobile insurance premiums, report statistics obtained by the insurance fraud investigation unit, and to advise...
	Last Action:	6-30-20 G Enrolled
SR 26	Jackson, Katrina (F)(D)	Requests the Dept. of Insurance to report to the Senate on legislation from the 2020 sessions intended to lower automobile insurance premiums for policyholders.
	Last Action:	6-28-20 G Enrolled

Couldn't Happen To Me

The first incident is something I read online at Reddit where consumers often ask insurance questions:

"I have an auto insurance policy with AMICA. However, in April of this year, i reduced coverage, as I was not driving the vehicle at all. My vehicle was marked as not being driven, which I believe means I don't have liability coverage.

"As fate may have it, I decide to drive for the first time in 3 months to a grocery store hardly a mile away, stop at a traffic light and proceed to accelerate as a green light is on. The vehicle in front of me stops abruptly and I had hardly any time to react and I hit the car in front of me on the bumper. There was no damage to my car and the other car had probably a bumper scratch. No visible damages to both cars. Cop gets called in and a police report is filed. We both state there's no damage to car and no one is injured and I get home. I also call up insurance to put back my liability and all others back on the policy.

"Today 3 days later, the other party files for injury claim. I get a call from my insurance company today asking the details and I provided them. I am wondering as to how will this be handled by insurance, as I may not have liability insurance at the time of the incident. Will there by any out of pocket expense?"

This is exactly why I've written before about suspending auto coverage:

[The Danger of Auto Policy Lay-Up]

[**Endorsements**]
Hopefully, in his case, he only suspended physical damage coverage, as some states may not allow liability coverage to be suspended while the license is active. Sadly, he doesn't even know what coverage was suspended and may, in fact, have simply cancelled his coverage.

The second incident was a marina fire. I live on a lake across a cove from a marina. In 2013, a tornado came through our property on its way to destroying much of the marina. This time, according to at least one account, a houseboat owner was working on the engine in his slip, starting and stopping it many times throughout the day, and perhaps gas fumes built up until there was an explosion and fire. Fortunately, no one was injured.

According to news accounts, three houseboats and a pontoon boat were completely destroyed, along with damage to other watercraft, not to mention significant structural damage to the docks. This is purely a guesstimate, but I would not be surprised to learn that the damages exceed a million dollars. I'm also guessing that the person responsible had watercraft liability insurance, but I wonder about the limit and whether he has an umbrella policy.

People with watercraft need umbrella policies. REAL umbrella policies. GOOD umbrella policies. And probably not just $1M limits, depending on both the assets and income (now and in the future) of the insured and the exposure to loss.

When we got our pontoon boat in 2013, I added watercraft coverage to our personal lines account and our $2M personal umbrella policy. The cost to extend the umbrella liability to the boat? Seven dollars. Yes, you read the correctly, SEVEN ($7.00) dollars. What watercraft owner can't afford an additional $7 premium on an umbrella policy?

Do you share stories like this with your customers and prospects? Do you have success stories where you, with great effort, convinced someone to buy a coverage or policy they didn't think they needed until

WHY THE GOOD LIFE IS GOOD FOR YOUR BUSINESS.

Boat, Motorcycle and RV coverages are powerful tools that help with customer acquisition and retention. To learn why Progressive is a leading underwriter of recreational products in the nation, or to become a Progressive appointed agent, visit **ProgressiveAgent.com**.

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One Chance to Make a First Impression

If we agree with the adage, "You only get one chance to make a first impression," why are so many insurance agent and broker websites so uninspiring?

A 2019 J.D. Power Study reported that independent agent and broker channels continue to show increasingly higher levels of customer satisfaction. Do we really think, in today's world or with the next generation of buyers and decision-makers, that they won't at least start their search online? According to ThinkwithGoogle's 2018 report**,** 63% of all insurance purchases begin on-line. Driving new customer acquisition increasingly comes down to having a strong brand and evidencing how your customer experience is better than your competitors…*and doing it in a way that suits the client or prospect*.

Put yourself in the chair of your potential client and take a heartfelt look at your website. Would you find this:

"Thanks for coming to our website, built exclusively to tell you how great we are and that our service is fabulous. However, call, email or fill in our form and we'll be happy to respond when it's convenient for us. And, if you need something right now, feel free to use the limited functionality we may offer."

Or would you find this:

"Welcome to our website. How can we help you?"

Independent agents and brokers have the best customer experience goals in mind. However, many find it difficult to translate that to an online entry point to their firm. Many sites haven't been updated in years, aren't responsive (or mobile-friendly), and the content and imagery are stale. Worse yet, chatbots haven't been enabled, and there's no opportunity to pay bills online.

Re-envisioning the online experience for your firm isn't easy and isn't necessarily cheap. However, consider the upside that allows you to:

- Streamline operations;
- Broaden your customer base;
- Upsell policies; and
- Connect with your clients and prospects when *they* are ready to engage (not you).

We sometimes hear from firms that they are waiting for their carrier partners to help them solve their online experience problem. This 'head-in-the-sand approach' hasn't been fruitful thus far and, in many pockets of the marketplace, has resulted in further erosion of channel dominance. However, insurtech disruptors are moving upstream from micro to small commercial to take advantage of this opportunity.

Technology firms like Tarmika and ITC, both new to the Property & Casualty marketplace, have hardwired feedback and reporting capabilities available to the end-user or firm leadership. Additionally, they are built intentionally to adapt and grow, recognizing what software engineers build doesn't always reflect the realities of an agency or brokerage environment. Their willingness to "learn, improve, and realize" how your firm talent, and your insureds, want to receive the customer experience is key to their market intrigue.

Like so many things, it's not a question of if – it's only a question of when they make the move into your 'smiddle' market space. And when that disruption arrives – is your firm going to be ready? **Worse yet, will you even know it has happened?**

How COVID-19 Will Change Insurance Sales

An agent who is a client of mine asked me, "Do you really think any business owner is truly happy with their agent or insurance company today?" Good question. Having to tell the public over and over and over, "There is no coverage. Sorry. Apply for a PPP loan," makes even massive doses of empathy insufficient.

Going forward then, I believe we have an inflection point where business owners will better appreciate agents who actually know what coverages are being sold and what exposures are not being covered. The larger and more sophisticated clients will be the most demanding, but I suspect the small businesses that survive will be far more demanding, too.

Another client told me that trust is made of two parts: character and competency. Historically, most insurance was sold based on character. If the trust ratio required for a sale is 100%, then character often is 80% and competency is 20%. Specific to business income insurance, the ratio is more 95% character and 5% competency – and that is without any sarcasm or cynicism on my part. Somehow character does not pay claims as well as competency.

I have been in the industry a long time. Business income knowledge has always been lacking because it is a difficult coverage to learn. During my tenure, I have seen coverage knowledge deteriorate due to mandatory CE requirements and cost saving measures.

Through my E&O audits and my coverage training classes, I see many industry veterans who have successful sales careers that do not know business income coverages. Over and over through my audits, producers and agency owners tell me, "My clients love me. Even if they don't have the right coverages, they won't sue me." And, most of the time, they don't.

I know one agent who wrote a property policy on the wrong address which resulted in the client having no coverage for a fire. He called the client and explained the situation – that no coverage existed – and for some reason, the insured "understood" and did not sue the agency.

I have met so many good old boys who sell based on their connections. They tell the greatest stories. I admire their storytelling abilities. I know more than one ex-athlete who is successful because clients want to buy from a semi-famous person.

I know more than one producer with a pretty face who can barely spell insurance (this is not a sexist remark for anyone thinking I am referring to only one gender, as my examples are fairly proportionate).

Producers who go to the right church or are members of the right country club or are members of the right nonprofits sell based on their relationships.

On what are these relationships based? Trust in the producer's character.

Trustworthy Change

This makes considerable sense because insurance — or really, insurance contracts — is complex. Selling such complex financial instruments with cartoon characters drives me up the wall, but cartoon characters are trustworthy in many people's minds. Advertising research is convincing on this point. Selling on trust has historically been a far more efficient, i.e., cost effective, sales model. It costs less to sell on trust than to prove professional competency.

There is a Darwinian aspect to this research because I don't think anyone sat down and did the math to identify the most time efficient sales model – it just evolved this way.

Currently, based on the estimates I have read, business income losses suffered by small businesses are as much as $430 billion a month. Maybe the losses are more, maybe less, but the losses are huge. The losses are large enough that business owners really could not care less what church, what country club, what stories are told. They could not care less whether they like their agent or not. They want coverage. They want their livelihood back. They want to survive.

The trust ratio mix is changing. Rather than just trusting my agent because my agent is a "good guy" and my decision to trust him is based on 80% character and 20% competency, I now want someone who is far more competent. I want a ratio of 80% competency and 20% character.

If character does not pay claims, but competency does, and my businesses' survival is on the line, this is an easy choice. An agency owner who told me one year ago that he just wanted producers who could sell rather than sell the right coverages might need different producers now. What good is selling insurance that does not provide the right coverages for the client?

Keep in mind, this is not just about business income insurance. The D&O claims, the workers' comp claims, the EPLI claims, the inadequate liability claims have yet to really build, not mention the cyber attacks that are increasing exponentially as everyone works from home.

Going forward, agents who actually know their coverages and are technically competent will likely have far more traction than they have historically had because customers will now pay attention to competency. Trust will now be at 100% only if the competency part of the ratio is quite high.

If you and your producers do not think competency is going to matter more to clients, it will definitely matter more relative to your agency's/brokerage's E&O policy. I have seen many agencies claim the title "risk manager" so that their character trust factor increases. However, their competency has not increased one iota. While pandemic related business income claims may be universally denied, and therefore in this extreme example agents probably will not be sued successfully due to the lack of a product that would have provided coverage, the same is not necessarily true for a risk manager.

A risk manager manages risk, and their duty exceeds the sale of an insurance policy. To manage risk means to manage the insured's risk – ALL of the risks unless a contract limits the risks being managed, which may include pandemic risks. If no one ever has uncovered claims, fake titles that enhance the character/trust factor work. However, when large uncovered claims do occur, such titles are agency liabilities because the titles increase the standard of care responsibility.

Being a risk manager may, depending on the circumstances, require analyzing your clients' entire risk profile and making recommendations that go far beyond an insurance policy. Being a risk manager pretty much requires an enterprise risk management approach, and those are few and far between.

In other words, you can't have your cake and eat it, too. If you want to be a risk manager, it is the competency factor, not the character factor that matters. You must walk the walk. Given how hungry, maybe predatory, some plaintiff firms are in this environment, such organizations might want to change titles or greatly increase competency ASAP before the next wave of virus infections occur.

Life is always a trade-off. Trust needs to be 100% for the sale to occur. That really does not change, but within that recipe, more competency must be added because character is not what clients want. Just character is what the plaintiff bar salivates for because finding probable cause for justifiable E&O claims is so much easier.

It is your choice. Do you leave the character/competency ratio as it is, or do you increase competency?

Author: Chris Burand

Big I Agents Council for Technology Releases Updated Agency Cyber Guide

One of the benefits of membership is keeping you UpToDate on important issues that can impact your agency. Below is a recap of the vast amount of information available to you from the Agency Cyber Guide 3.0. Check out all the resources on the **new home page** dedicated just the cyber.

How to secure your agency

Handling sensitive information is now one of the most critical responsibilities faced by the modern insurance agency.

Independent insurance agents and brokers must properly collect and protect sensitive client information every day. This means complying with state and federal regulations as well as adhering to customer service best practice standards, and compliance with Data Privacy Laws as mandated in all Agency/ Company contracts.

Regulations and Descriptions

Gramm-Leach-Bliley Act Overview

- The Gramm-Leach-Bliley Act requires financial institutions – companies that offer consumers financial products or services like loans, financial or investment advice, or insurance – to explain their information-sharing practices to their customers and to safeguard sensitive data.
- Access control on customer information systems, including controls to authenticate and permit access only to authorized individuals and systems to prevent employees from providing customer information to unauthorized individuals who seek it through fraudulent means.
- Encryption of electronic customer information, including when in transit or in storage on systems where unauthorized individuals may have access.
- Dual control procedures segregation of duties and employee background checks for employees with access to customer information.
- Response programs for when an organization suspects or detects that unauthorized individuals have gained access to customer information systems.
- Training for staff to implement the security program.
- Access restrictions at physical locations containing customer information.
- Procedures to ensure that customer information modifications are consistent with an organization's information security program.
- Monitoring of systems and procedures to detect actual and attempted attacks on or intrusion into customer information systems.
- Measures to protect customer information from destruction, loss or damage by environmental hazards or technological failure.
- Regular testing of the key controls, systems and procedures of the security program.

It is critical that agents and brokers understand and comply with GLBA requirements to protect their clients' data.

Costs and Penalties

Non-compliance with any of these regulations may come with a substantial penalty.

These can vary by state, as do the data breach communication requirements. Penalties can be assessed as:

- Civil penalties per resident affected and/or per breach.
- Additional penalties for actual economic damages.
- Also punishable by other state-specific deceptive trade practices laws, or as prescribed by a state attorney general.
- The law that applies is within the jurisdiction of the person whose data was breached.

There are also timelines for responses; may carry penalties for delays in notifications.

"The Privacy Provisions of the Gramm-Leach-Bliley Act and Their Impact on Insurance Agents & Brokers" defines the penalties for noncompliance under section VIII – Enforcement as follows:

Penalties for Insurance related entities are

enforced by each state's Department of Insurance.

Civil action against any financial institution that engages in conduct constituting a violation of the Act.

Financial institutions found to have violated the Act can be fined:
a) Up to $100,000 for each violation.
b) Officers and directors of the financial institution ('agencies') may be personally liable for a civil penalty of not more than $10,000 per violation.

Examples of First-Party Expenses

- Legal Expenses
- Computer Forensics Expenses
- Notification and Call Center Expenses
- Crisis Management and Public Relations Expenses
- Cyber Extortion Expenses
- Data Restoration Expenses
- Business Interruption Expenses
- Dependent Business Interruption Expenses
- Fraudulent Transfer Funds
- Possible ID Monitoring and Protection Expenses

Examples of Third-Party Expenses

- Privacy and Security Related Litigation Expenses
  Lawsuits filed by customers or employees
- Regulatory Fines
  Fines by state and federal regulators
- Agencies Could Be Subject to Payment Card Losses
  Find and penalties from credit card companies and PCI requirements

Agency Financial Penalties Due to a Breach - As Defined In Agency Contracts

As a result of the 'hold harmless' and 'indemnification' sections of agency/carrier agreements, the agency could be required to pay the following costs and expenses, which would be in addition to the direct cost and expenses incurred by the agency in defense of their actions.

A. Pay all costs of the investigation by the Carrier, both of the Agency as well as the costs of a national investigation since the breach originated at the agency level.
B. Pay all costs of the required notifications by the Carrier.
C. Pay all costs of attorney fees that were accrued by the Carrier.
D. Pay all defense and liability costs accrued by the Carrier.
E. Pay any additional costs accrued by the carrier as a result of the Agency's executed agency-carrier agreement.

12-Step Compliance Roadmap

Risk Assessment

A Risk Assessment is the identification of hazards that could negatively impact an organization's ability to conduct business. These assessments help identify inherent business risks and provide measures, processes, and controls to reduce the impact of these risks to business operations. The assessment should include a risk mitigation checklist.

Resources:

ACT/CIS 'Cyber Hygiene Toolkits'

StaySafeOnline.org

NetGen Data Security

Written Security Policy

A security policy is a document that states in writing how a company plans to protect the company's physical and information technology (IT) assets. It can also be referred to as a 'written information security policy" or WISP".

Resources:

ACT Cybersecurity Policy Template
Information Shield
FCC Cyber Security Planning Guide
NetGen Data Security

Incident Response Plan

An Incident Response Plan is an organized approach to addressing and managing the aftermath of a security breach or attack (also known as an 'incident'). The goal is to handle the situation in a way that limits damage and reduces recovery time and costs while complying with federal and state regulations. This includes communication/notices to the state superintendent upon detection of a cybersecurity event and communication to customers, insurers, and third-party service providers.

Resources:
Mintz Matrix
Guidance for Incident Response Plans
NCSL Security Breach Notification Laws by State

Staff Training & Monitoring

This is a critical regulation. Even if all other areas are in compliance, one misstep by agency personnel can expose data due to malware, phishing and other incursions. ACT strongly recommends that all businesses regardless of size train their staff on online security risks.

Resources:
PhishMe.com
KnowBe4.com
Cybersecurity Employee Training Guidelines From Travelers
Curricula
Junglemap
Sophos

Penetration Testing & Vulnerability Assessment

Penetration Testing (also called 'Pen Testing') is the annual practice of testing a computer system, network or Web application to find vulnerabilities that an attacker could exploit. This should be done internally and externally.

Resources:
Tutorials
Veracode
Illumant Security Assessment

Services

Access Control Protocol

This responds to regulations requiring restricted access to non-public information, including PII, PHI, PCI.

Resources:
FTC.Gov
Rigid Bits

Written Security Policy for Third-Party Service Providers

These are written policies and procedures designed to ensure the security of information systems and nonpublic information that are accessible to, or held by, third-party service providers. The NAIC refers to this as an information security program.

Resources:
Vine IT

Encryption of Non-Public Information

Encryption is the process of encoding a message so that it can be read only by the sender and the intended recipient. Non-Public Information refers to all electronic information that is not publicly available information and for insurance purposes refer to PII (personally identifiable information), PHI (protected health information), and PCI (payment card industry data security standards). This regulation describes the need to encrypt and protect this data when in storage and when transferred between the insurance agency and its policyholders (example: email).

Resources:
What is Data Encryption, How to Get Started
Comparison of the Best Data Encryption Software - 2020
ACT TLS email encryption FAQs
ACT Protect Your Clients with Secure Email Using TLS
ACT IA Carriers with TLS Secure Email Enabled

IIABL EDUCATION & EVENTS CALENDAR

Webcasts			
E&O Risk Management Click above for schedule Available on Demand	**Ethics** Click above for schedule Available on Demand	**Flood** Click above for sched-ule Available on Demand	**Commercial & Personal Lines Courses** Click above for cours-es & dates for 2019
2020 Webinar Calendar	myAgency Campus		BIG i HIRES
Webinars			
VU Cram Sessions **Dates:** August 26, Sep-tember 24, October 26, Oc-tober 27, November 17, December 14 5 Contractor Coverage Concepts Every Agent Must Understand 9 Rules for Reading an Insurance Policy Based on the Laws of Insurance Contracts Condominiums and How to Insure Them 3 Keys to Getting the Named Insured Correct 4 Key PL & CL Exposures Every Agent Must Under-stand	**VU Cram Sessions** **Dates:** August 27, Sep-tember 25, October 27, November 18, December 15 How to Understand Commercial Property Un-derwriting & COPE Workers' Compensation: 5 Mistakes Every Agent Makes Condominiums and How to Insure Them Rules for Developing the Correct Premium Why Certificates of In-surance - Just Why?	Each of the courses in the VU Cram Session is approved for 2 hours CE. Earn 10 hours CE in one day. Check out all 19 courses that the VU Cram Session offers through 2020	
Events			
To be Announced			

NIST (National Institute of Standards & Technology)
Pondurance

Designation of Chief Information Officer

This is the title required by NY DFS for some agencies doing business in New York.; nationally this role can be viewed as 'Data Security Coordinator'.

Resources:
Agency CIO Definition and Duties
Cyber Clear Safe

Audit Trail

An audit trail (can also be referred to as an 'audit log') is an electronic trail that gives a step-by-step documented history of a transaction. It enables an examiner to trace the financial data from general ledger to the source document (invoice, receipt, voucher, etc.). The presence of a reliable and easy-to-follow audit trail is an indicator of good internal controls instituted by a firm and forms the basis of objectivity.

Resources:

Implementing Multi-Factor Authentication

Multifactor authentication (MFA) is a security system that requires more than one method of authentication from different categories of credentials to verify the user's identity for a login or other transaction.

Resources:
SBC.com
CIO.com
Rigid Bits

Procedure for Disposal of Non-Public Information

As with encryption, this regulation refers to all electronic information that is not publicly available, including PII, PHI and PCI. Improper document destruction is often a downfall of small business security. Regulations for this vary by state.

Resources:

[National Conference of State Legislatures (NCSL)]

[The Mako Group]

Cyber Guide Real World Breaches

Data breaches of large businesses are in the news every day. Small and small to medium-sized agencies are not immune. The results can be disastrous. Communicating to your entire client base that your system which contains their sensitive personal data has been lost to hackers or cybercrime, can cripple your agency.

Facts and Stats

In 2018, 67% of breaches hit smaller businesses, up from 61% in 2017, and 53% in 2016.

Cyber-attacks cost small businesses between $84,000 and $148,000 and can reach $690,000.

60% of small businesses go out of business within six months of an attack.

Claim Types

Business Email Compromise

(similar claims in PA & NY where insured did not know they were breached)
Side note: Insurance agency did not even know that they were breached. The bad actor has sent the phishing email to Coalition from the insured's mailbox. Coalition reached out to the insured to advise them of the event.
Amount Paid: $32,000
Coverages triggered: Breach response
Notification: Total was $5,500. Involved, local state-wide media and posted notice on website. Notice to attorneys general and any state residents in five states. Note: This is not per-record event given the state-wide media notification.

Ransomware infection of agency's Managed Service Provider

(2 claims so far in California & Utah)
Amount paid: Still pending. $100,000.
Notification: No notification needed given the type of ransomware.
Coverages triggered: Breach response, Cyber extortion, BI and extra expense

Business Email Compromise

(many claims CA, GA, NY, PA, ID, IL, VA, UT, TX, OH, SC, & NV: insured knew of breach)
Amount paid: $174,000 (forensics, attorney, notification, and monitoring.)
Notification and monitoring: $13.00 per record. (This includes notification and three-agency credit monitoring.)
Spoofing
(insured knew of breach)
Amount paid: $174,000 (forensics, attorney, notification, and monitoring.)
Notification and monitoring: $13.00 per record. (This includes notification and three-agency credit monitoring.)

Cyber Guide Security Providers

Understand how various service providers can help independent agencies comply with cyber regulations. Reviewed an organized by ACT.

High-Level Capability Matrix

Detailed Services & Costs

Bios & Contact Information

Cyber Guide 3.0

Limitations of Liability Arising Out of Covid-19

House Bill 826 (Act 336) by Representative Thomas Pressly provides protection to individuals, businesses and government entities who have stepped up to help keep Louisiana safe and healthy during the COVID-19 pandemic. It also helps protect businesses who substantially comply with federal, state and local guidance as they seek to re-hire workers, re-open their doors and begin growing again.

IIABL identified this issue as one of the most important issues facing businesses, both large and small. Businesses cannot make definitive plans for re-opening and growing without some certainty that they will not be subject to frivolous lawsuits from opportunistic trial lawyers.

HB 826 provides limited civil liability protection to individuals and businesses for two main categories of claims – claims related to alleged exposure to COVID-19 and claims related to personal protective equipment (PPE). The bill does not grant complete immunity to any person or business. Businesses who act with gross negligence or reckless misconduct, or with any intent to cause harm should and will still be held accountable.

EXPOSURE RELATED CLAIMS

HB 826 provides individuals, businesses and governmental entities with limited liability protection from claims based on actual or alleged exposure to COVID-19 as long as the person or business substantially complied with official COVID-19 guidance and did not act with gross negligence, or wanton or reckless misconduct. This is an area where trial lawyers are expected to be particularly aggressive, especially since it is extremely di-cult to determine exactly when or how an individual may have contracted COVID-19.

HB 826 specifically provides liability protection for exposure related claims to individuals and entities who plan, host or promote events, including trade shows, conventions and corporate meetings, as long as the individuals or entities do not act with gross negligence or willful or wanton misconduct.

HB 826 prevents employees who contract COVID-19 from filling both a workers' comp claim against the employer and a separate tort claim, unless there was intentional bad act by the employer.

PPE RELATED CLAIMS

HB 826 provides limited liability protection to individuals and businesses that design, manufacture, label, or distribute PPE in response to the COVID-19 pandemic, unless the damage or injury was caused by gross negligence or willful or wanton misconduct

During the COVID-19 public health emergency, HB 826 provides limited civil liability protection to individuals and businesses who use, employ, dispense, or administer PPE from any claims related to the PPE, as long as the business substantially complied with applicable guidance from at least one governmental entity and as long as the business did not act with gross negligence or wanton or reckless misconduct. This liability protection is particularly important in light of recent state and local mask ordinances.

RETROACTIVE APPLICATION

Each provision of HB 826 applies retroactively to claims arising on or after Governor Edwards' initial emergency order on March 11, 2020. This ensures that any frivolous claims brought before the Legislature had an opportunity to act will still be subject to the liability protections included in the bill.

LABI's Louisiana Free Enterprise Institute Unveils LouisianaJudiciary.com Website Aimed at Judicial Transparency

In its continuing push for greater transparency in Louisiana's judiciary, the Louisiana Association of Business and Industry (LABI) today launched a new website to give citizens access to information on Louisiana's courts. **LouisianaJudiciary.com** is a product of LABI's Louisiana Free Enterprise Institute, a 501(c)(4) organization. This effort comes after the formation of LABI's Judicial Program in 2019.

"Campaign signs for candidates seeking judicial seats are already popping up in communities across Louisiana, leaving residents scratching their heads as to just who their elected judges are, who is actually running against whom and how each level of court overlaps or interacts," said Lauren Chauvin, Director of LABI's Judicial Program. "This is an essential third branch of government that we feel warrants the same level of transparency and public access as our legislative and executive branches. In recent months, we've seen Louisiana's Supreme Court take steps towards sunshine and accountability, and we want to be a partner in that effort and hopefully serve as a resource for our court systems. Speaking with judges last year during our judicial listening tour, they welcome the interest, and believe the courts belong to the citizens and more public knowledge will result in a better system of justice."

At LouisianaJudiciary.com, citizens can use interactive maps to explore the Louisiana Supreme Court, Court of Appeal and local judicial districts to read judges' biographies, learn when terms end and see where lines are drawn. This website is the only resource where citizens can find all this information readily available in one place. A second phase is in development, one that will provide more detailed maps of election sections, public records, a searchable database of court records for select jurisdictions and analysis of how our courts operate.

"This is just phase one of an effort to shed light on the judiciary, as the state's chamber of commerce we have found this branch of government has an equally profound impact on Louisiana's business climate as our Legislature," said LABI President and CEO Stephen Waguespack. "This call for transparency aligns with the genesis of legal reforms passed during our latest legislative sessions that shed more light on how cases play out in court, with legislation lifting gag orders, allowing more evidence to be presented and calling for citizen inclusion via lowering the threshold triggering a jury trial. In all of this, the business community has never sought specific outcomes from the court, we only seek a system that presents a level playing field to ensure equal justice, with fair and independent arbiters of the

Free Ways to Digitally Attract New Consumers

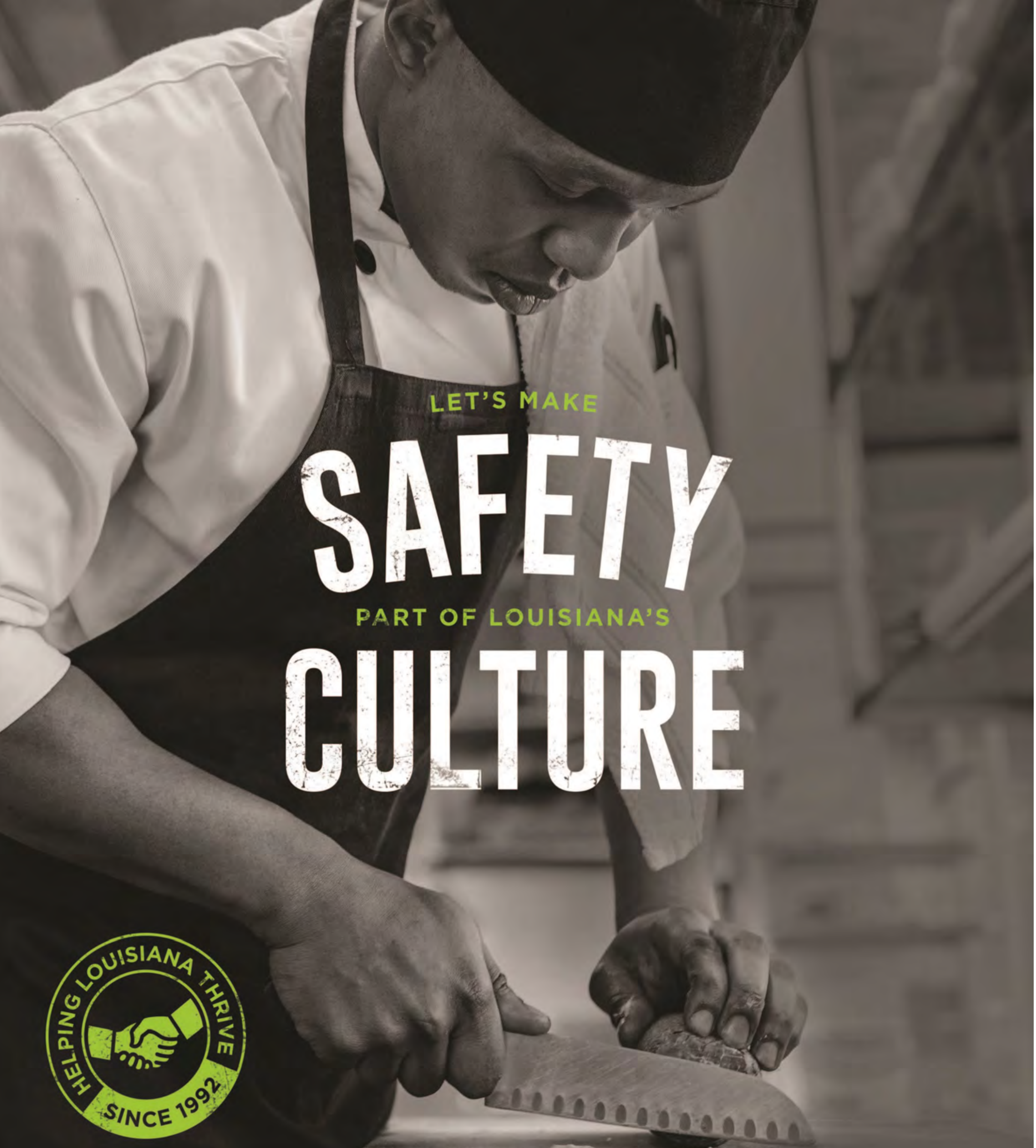
Get More Google Reviews For Your Agency

During this time, it's important for your agency to maintain a strong digital presence. This can help you to attain more consumers, as well as maintain your professional credibility. Review our resources to learn how to leverage Google Reviews and stay ahead of the competition.

Visit the Member Resource Website Training Page for more insight on Google Reviews.

8 Free Ways to Update Your Digital Presence

1) Update your Google My Business listing According to Google, businesses with a verified Google My Business listing are twice as likely to be considered reputable.
2) Focus on getting Google reviews and improving your rating. Nine out of ten consumers read online reviews before doing business with a company.
3) Refresh your Contact Us and About pages on your website. Since more of your business may be moving online, it is more important than ever that your company information is clear.
4) Use Google Analytics to find your best performing content Make sure your site is connected to Google Analytics to help you assess the performance of your site.
5) Check all website pages for unique title tags and page descriptions When a link appears for a Google search, it includes a title and a short page description known as meta data. When written well with the right keywords, this is one of these easiest ways to improve your search engine optimization (SEO).
6) Update your social profiles Just like your website, your social profiles have several options to showcase your agency's identity.
7) Revisit your social content strategy You may have slowed your social posting schedule due to COVID-19. However, social media can be a great extension of your digital presence.
8) Showcase your expertise with a blog. If you already have a blog on your website, now is great time to update it especially if you already have a writer in house. Consider highlighting trends, industry knowledge, or ways your agency has been helping out in the community.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