

# Wise Words

State of Alabama • Department of Finance • Division of Risk Management  
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## Alabama's New Secondary Metals Recycler's Law

Although copper wire theft is nothing new, series of thefts continue to occur. This is a national issue which has a serious financial impact that greatly affects our society including the obvious economic impact, service disruptions, rise in insurance claims and increased insurance costs.

Beginning August 1st of this year, a new state law will require secondary metal recyclers to maintain additional records relating to purchases, to register with the Alabama Criminal Justice Information Center (ACJIC), and to further provide for the limits on purchases for certain metal. This law provides penalties for damaging or destroying certain metal property and provides further penalties for the possession of certain stolen metal property.

The biggest challenge in combating the problem is to seek ways to reduce losses, develop solutions and take steps to prevent losses. Even that sometimes isn't enough to ward off thieves.

To view a copy of the bill in its entirety, access the Alabama Secretary of State's website at [www.sos.alabama.gov](http://www.sos.alabama.gov).

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### Copper Theft Prevention Measures

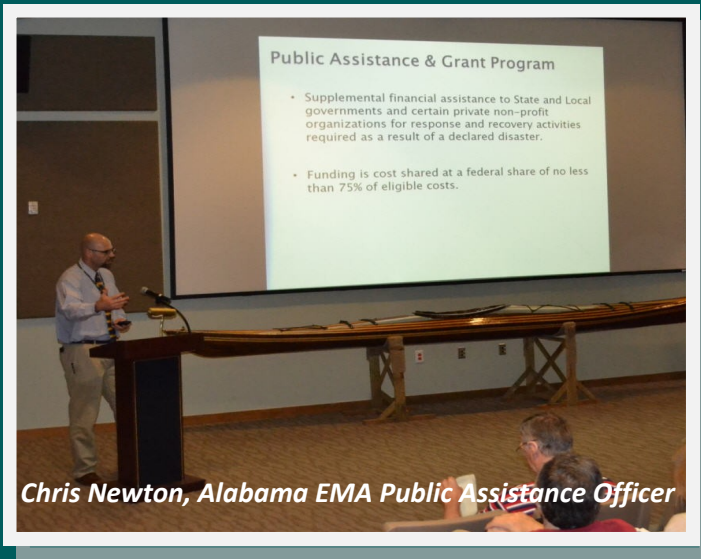
***Consideration of cut-resistant perimeter fencing to control unauthorized entry, especially in abandoned structures.***

***Adequate lighting at points of entry should be maintained to deter and hinder unauthorized entrance.***

***Coordination with local law enforcement to gain heightened patrols of areas of risk.***

***Copper theft prevention is an issue of service, business delivery, reliability and safety. Take steps to protect and prevent against this risk. Do your part to protect your assets.***

# 2012 Hurricane Readiness Conference



*Chris Newton, Alabama EMA Public Assistance Officer*

The Division of Risk Management (DORM) and Palomar Insurance Corporation recently sponsored the 2012 Hurricane Readiness Conference for its State Insurance Fund (SIF) clients from Mobile, Baldwin and surrounding counties. The conference, held at Alabama's Delta Resource Center in Spanish Fort on May 16, 2012, was a huge success with over 60 attendees. Topics included Exposure Awareness, Claims Adjusting, Recovery Steps, Emergency Planning, Evacuation and Shelters, and Equipment Risks and were presented by guest speakers representing Custard Insurance Adjusters, Inc., Mobile County School System, Alabama Emergency Management Agency, Mobile and Baldwin County Emergency Management Agencies, Travelers Insurance Company and Palomar Insurance. Jim Ridling, State Insurance Commissioner, and Ben Spillers, State Risk Manager, made the introductory remarks.

The Hurricane Conference is one of several conferences offered annually by DORM to its clients in order to raise awareness of various risks and offer solutions. Our message is to Plan, Prevent, Prepare, Respond and Recover.

## *Hurricane Planning*

***Hurricane season runs June 1st through November 30th.***

***Two keys to weather safety are to prepare for the risks and to act on those preparations when alerted by emergency officials.***

***Planning and organized action before, during and after a storm can minimize hurricane-related damage.***

***If you do not have a plan, start one today. DORM offers a Hurricane Planning Guide which is available on our website: [www.riskmgt.alabama.gov](http://www.riskmgt.alabama.gov)***

***Go to Downloads; Forms; Other Publications.***

## Wise Words

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### **Director of Finance**

Marquita F. Davis, Ph.D.

### **Risk Manager**

Ben M. Spillers

We greatly appreciate the contribution of the following individuals to this issue:

Ben Spillers  
Kim Huggins  
Max Graham  
Heather Whorton  
Bob Smith  
Marilyn Tucker  
Dale Whittle  
Carol Singletary  
Hank Draughon

### **Wise Words**

777 South Lawrence St  
Montgomery, AL 36130-3250  
334-223-6120 Office  
334-223-6154 Fax

Website: [www.riskmgt.alabama.gov](http://www.riskmgt.alabama.gov)

Email: [riskinfo@finance.alabama.gov](mailto:riskinfo@finance.alabama.gov)

If you want to receive this publication via email, please send your request to:

[edward.morgan@finance.alabama.gov](mailto:edward.morgan@finance.alabama.gov)

# SEICTF Compliance Rule

The state of Alabama provides state employees with a benefit comparable to worker's compensation through the State Employee Injury Compensation Trust Fund (SEICTF).

Please be aware of the Administrative Procedures Act Rule 355-8-1.03 (e).

“DORM or its agent may direct an injured employee to specific medical providers, and shall monitor the progress of the injured employee to encourage and facilitate his/her return to work. The injured employee must cooperate with DORM or its agent; failure to cooperate will result in termination of benefits.”

SEICTF rules require the injured employee to comply with the rules of the program in order to be eligible for benefits when injuries have occurred in the line and scope of performing their job duties. The rules provide for a progressive suspension/termination of benefits approach, which allows for ample notice to the employee if/when they are in violation of the rules. Any 3 occurrences of non-compliance with SEICTF rules may lead to termination of all benefits under the program. However, some instances of egregious violations of rules can also lead to immediate termination as well as other fines or penalties.



# Why Equipment Breakdown (formerly Boiler and Machinery) Coverage?

Where Equipment Breakdown coverage was thought in the past to apply solely to boiler and pressure vessel coverage, that is not the case today. The following are examples of equipment that are covered under the Equipment Breakdown policy that is administered through Travelers Insurance Company:

***Motors, Generators, Compressors, Air Conditioning Equipment, Refrigeration Equipment, Transformers, Electrical Switchgear, Cables & Bus Duct Boilers (all types), Pressure Vessels (fired and un-fired), Internal Combustion Engines***

Surprisingly, some of the largest covered losses do not involve boilers, but electrical equipment and spoilage. A number of you still operate boilers and pressure vessels which are required to be inspected by the state of Alabama Boiler and Pressure Act. Damage to buildings, personal property and the equipment itself are covered by the Travelers policy.

Why Equipment Breakdown Coverage?  
Can you afford not to have it?



## Notary Public Bond Coverage

All state employee Notary Public bond letters for new and renewing Notaries Public are issued directly from DORM. Our bond letter provides proof of coverage which conforms to new statutory mandates. Effective January 1, 2012 the coverage limit was increased from \$10,000 to \$25,000.

To request a letter, email the employee's name as it appears or will appear on the notary seal, agency, position and county in which he/she will be applying or renewing to [max.graham@finance.alabama.gov](mailto:max.graham@finance.alabama.gov). Once the request has been received, we will prepare the letter and email it back to you within 5 business days.

Please direct any questions to Max Graham at the email address stated above.

