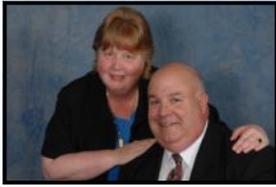


February 2013

News and Tips to Make Your Life Easier, Safer, and Happier...



Special points of interest:

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- **Keep your car insurance premium down by avoiding these common winter driving mistakes <page 2>**
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- **Make use of heavy snow this winter <page 4>**

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The Hauswirth Report

Changes in the Flood Program— Sifting through the HYPE

It's been three months since Hurricane Sandy and the subsequent Nor'easter hit New York and New Jersey. Insurance companies are handling claims, some of which are still open, many of which have been paid and closed. The vast majority of these claims have been due to the storm surge and the resulting floods along the coastline and back bays.

In the middle of all this, the new 2012 Flood Insurance Reform Act was passed into law on July 12, 2012 with several important changes to the flood insurance program, many of which take effect in 2013. The aim of these changes is to make the National Flood Insurance Program (NFIP) self sustaining.

A Little History

In the early 1960's our country faced some serious storms that hit the east coast and caused severe damages. Insurance Companies who had been offering flood insurance at that time, all decided to back out of the market as they were not able to sustain the frequency and severity of those flood claims. So in 1968 the National Flood Insurance Program (NFIP) was created by the government to offer federally subsidized flood insurance for property owners and to promote land-use controls in flood prone areas.

For the first 30+ years the program was financially sound. The flood zone mapping spread the cost of the insurance over a large enough

area as well as made the insurance mandatory for people obtaining a mortgage on homes in a flood hazard zone. After the year 2000, the program began to see a huge increase in the severity of the hurricanes hitting the gulf coast as well as the east coast. The 2005 hurricane season brought huge deficiencies

in the flood prone areas have procured coverage. The rest were people who either paid cash for the home and waived the purchase of flood insurance or they were property owners who paid off their mortgage loans and decided not to continue paying for flood coverage. FEMA admitted that if 85% or more of property owners in flood prone areas carried insurance, they would probably not be in their current financial condition.

Program Changes

The flood policy was never intended to be an all risk policy or to cover "everything". It is a limited policy issued by the government to handle damages to dwellings and businesses as contained within the policy language. It does not matter where you buy flood coverage. The various insurance companies that sell this product through insurance brokers are only agents for the NFIP and FEMA. They all follow the same premium guidelines and claims regulations.

The major difficulty continues to be the financial stability of the program. The US Government cannot continue to have the program running at a huge deficit each year. The severity of these storms will only continue and the overall cost will grow.



FEMA Advisory Base Flood Elevation Map
for Ocean County, New Jersey

in the program with Hurricanes Katrina, Wilma and Rita. These three major storms caused a \$21 billion deficit to the NFIP. The new 2012 Flood Reform Act was written to help make the program financially solvent.

In our discussions with directors at FEMA and the NFIP, we found out that another problem with the flood program is that only 60% of all prop-

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Changes in the Flood Program continued...

The Reform Act will address these issues by:

- ✓ Eliminating the subsidized rates for secondary homes
- ✓ Revising the floodplain mapping to more accurately reflect projected flood levels
- ✓ Solving the problem of properties with repetitive losses

Non-primary dwellings will see 25% increase in premiums each year until the NFIP feels the rate is commensurate with the risk. Businesses will see the same increases starting in July, 2013.

As we saw last week in the press, Governor Christie accepted the newly proposed advisory flood maps on behalf of all the municipalities in the state. This will eventually force many owners of older, low elevation properties to either raise the dwelling or level them.

While this tough situation will affect many of us, these measures will have to be implemented in order to maintain the program.

If you have any questions about the new flood maps or your current insurance coverage, please contact us at **609-693-3123**.

9 Winter Driving Mistakes That Could Increase Your Car Insurance Premium



Insurance Companies Look at Winter Accidents When Reviewing Your Driving Record

Even though there is only a small amount of snow and ice on our roads, insurance companies will look at winter accidents when reviewing your driving record. **It's important to realize that your actions can have a financial impact on your auto insurance premiums long after the ground has thawed.**

So, if you want to prevent an increase in your car insurance premiums (and the stress that goes along with an accident) don't make these 9 winter driving mistakes:

1. **Leaving last-minute even though you know the road conditions could be dangerous.** You should allow yourself plenty of extra travel time during winter months to account for the road conditions. Trips can take longer with snow and icy roads.
2. **Driving too close behind the car**

in front of you. Leave more distance between you and the car ahead of you, giving yourself at least 10 extra seconds to come to a complete stop.

3. **Driving fast.** On ice-covered roads it takes much longer to stop and turn, and the faster you're going the harder it's going to be to avoid a potential accident.
4. **Thinking if the road is clear, a bridge will be too.** Bridges and roadways rarely exposed to sunlight are more prone to ice than other areas.
5. **Stopping suddenly and changing lanes quickly.** Driving in this manner isn't recommended even when road conditions are good, and it can turn disastrous in wintry conditions.
6. **Driving with a near-empty gas tank.** You should always keep the gas tank full in winter months. Stormy weather or traffic delays may force you to change routes or turn back. A full tank can also help prevent your car's gas line from freezing.
7. **Driving before the windshield**

and windows have defrosted, or without removing snow from your car. Keep a snow brush and scraper in the car at all times so you are always prepared. If you don't, you could wind up paying a fine and endangering other drivers. NJ law requires all motorists to make a reasonable effort to remove all snow and ice from their vehicles.

8. **Using cruise control.** If you think the road surface could be slippery, you should not use cruise control. You want to be completely alert and ready to make decisions quickly if needed.
9. **Not checking to make sure your exhaust pipe is clear.** A blocked pipe could cause a leakage of carbon monoxide into the car.

Safe drivers adjust their driving style based on road conditions. So, if you always put your safety and the safety of others in the forefront, you'll not only be safer, but your auto insurance bill should not have any unanticipated surprises.

Seems funny to talk about taking extra precautions for winter driving when it appears we will have yet another mild winter. However, even with the slightest hint of the frozen stuff, taking extra precautions makes it even more important.

I Paid For My Mistake

A few short years back we had a small amount of snow, followed by rain, then a drop in temperature. As I was driving into the office early one day, the radio announcer even warned of something called black ice. I pulled into our parking lot, tried to turn my F-150 into a parking space, and plowed right into the back of a parked car. Even though I was doing 5 MPH, there was substantial damage. I paid for that damage for quite some time!

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2013 Referral Contest

Just Keep Talking!



**Thank You For
Your January
Referrals!!**

- John Stevens
- Cathy Castillo
- Eileen Munn
- Barbara Chanti
- Doug Shearer
- Lucille Gesek
- Steve Bishop
- Kristen Smith
- Cessna Statt
- John Steffins

How it works:

It's easy, simply tell a friend, relative, acquaintance or whoever about us! Make sure they tell us you sent them—but don't worry, we still ask when they call.

What you win:

1. For each referral you send, you will automatically receive a **\$10 Wawa Gift Card!**
2. You are also automatically entered in the monthly drawing for an **Apple iPad 2!**



NEW PRIZE!! 

3. For each referral we receive, we'll donate **\$5 in Your Name** to the Lacey Township Food Bank!!!

December Winner: January Winner:



Congratulations to December's Referral Contest winner, **Keith Martin** who received a brand-new Apple iPad 2! Congratulations Keith!



Rich presents the iPad 2 to our January winner, **Eileen Munn!** We have plenty more to give away—so get your referrals in today!

Want to stay up-to-date on the latest happenings and contests at Hauswirth & Sons Insurance?



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Sign Up for Contest Updates!

Visit: <http://eepurl.com/LOJB9> or Scan the code to the right





I hope we don't get this much snow this winter!

If we do, at least we can make use of the new refrigerator space!

"The employees are always so friendly, helpful and professional. Your staff really went out of their way to make sure our needs were met. Great customer service!"

Dawn C. | Lanoka Harbor, NJ

The Hauswirth Report

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Quote of the Day → "There is no remedy for love but to love more." - Henry David Thoreau

December & January Trivia Winners:



Margaret Gerba



Frances Scerbo

Last Month's Trivia Question & Answer:

Q: Which quarterback led the 1951 Cleveland Browns to an 11-1 season record?

A: Otto Graham



A Not-So-Trivial Pursuit

We're trying our best to stump you in 2013!

Test your winter weather knowledge with this month's trivia question. It's easy—simply send your answer to the question listed below to our Trivia Coordinator, Ann Fuchilla. **There are 3 easy ways to send your answer: 1. Email ann@hauswirth.net; 2. Fax to 609-693-4935; 3. Come to our office!**

The first person to respond with a correct answer wins a bottle of our private label Hauswirth Cellars wine. The next six correct respondents will each receive a free pizza at Via Napoli Pizzeria in Forked River. **Good luck!!**

Q: What was the world record for the most snowfall in a 24-hour period? (amount of snow and location needed)



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