
Name of Organization: Antrim Conservation District

Type of Organization: Other

Contact Information: Mrs. Janet Person

Executive Director

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Project Title: Insurance Companies Support Pollution Prevention

Project Category: Pollution Prevention and Reduction - BNS

Rank by Organization (if applicable): 1

Total Funding Requested (\$): 25,850 **Project Duration:** 1.5 Years

Abstract:

To entice insurance companies to give landowners insurance premium credits on their liability insurance for implementing corrective methods on identified high risk pollution problems. This program will build on the already established Farm*A*Syst program in Michigan whereby one insurance company is already doing this in the groundwater protection area.

Geographic Areas Affected by the Project

States:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Illinois | <input type="checkbox"/> New York |
| <input checked="" type="checkbox"/> Indiana | <input type="checkbox"/> Pennsylvania |
| <input checked="" type="checkbox"/> Michigan | <input checked="" type="checkbox"/> Wisconsin |
| <input checked="" type="checkbox"/> Minnesota | <input checked="" type="checkbox"/> Ohio |

Lakes:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Superior | <input checked="" type="checkbox"/> Erie |
| <input checked="" type="checkbox"/> Huron | <input type="checkbox"/> Ontario |
| <input checked="" type="checkbox"/> Michigan | <input type="checkbox"/> All Lakes |

Geographic Initiatives:

- | | | | | |
|--|----------------------------------|-------------------------------------|--------------------------------------|---|
| <input type="checkbox"/> Greater Chicago | <input type="checkbox"/> NE Ohio | <input type="checkbox"/> NW Indiana | <input type="checkbox"/> SE Michigan | <input type="checkbox"/> Lake St. Clair |
|--|----------------------------------|-------------------------------------|--------------------------------------|---|

Primary Affected Area of Concern: Not Applicable

Other Affected Areas of Concern:

For Habitat Projects Only:

Primary Affected Biodiversity Investment Area:

Other Affected Biodiversity Investment Areas:

Problem Statement:

Although many landowners have participated in different programs, such as the Farm*A*Syst programs that have helped them identify potentially contaminating practices on their land, many need further incentives to take the next step to implementation. Much too often they do not see that the rest of the residents care if pollution prevention is going on or not and they are having to shoulder the entire financial burden, especially in the areas where cost share opportunities are no longer possible. It is time to show landowners that industry does care and is willing to prove it through some type of financial incentives. The insurance field is perfect to offer landowners premium liability credits for implementing these protective measures with premium reductions. It also potentially gives the insurance companies an incentive to do this as we will strive to prove they will be paying out smaller and hopefully less claims.

Proposed Work Outcome:

The project will need to be completed in coordinated steps:

1. Research and target 3 insurance companies that will make the largest impact on the identified region when the program is implemented.
2. Meet with identified companies and explain the program and the steps that have already been taken with Auto Owners Insurance and get their buy in to participate in the program.
3. With permission, go back in the company records for a period of 10 years and look at claims and see what the pay outs would be if pollution prevention methods had been in place on the site prior to the insurance claim. This should be able to correlate the cost sharing portion of the program.
4. Market the plan. The plan is already in place and will take only minor changes according to the individual companies, but we will strive to maintain the same program across the board.
5. Our goal will be to have over 50 landowners in the area enrolled in the program and moving forward with their pollution prevention measures.
6. Promote the program regionally and nationally in the hopes that we can establish in the next 10 years, at least one insurance company in each state that will be implementing the program.

This program is and can work on a broad scale. Our Executive Director was given the Vern Haverston Groundwater Award for working to move this program along and would like to see it implemented as every day practice in the region. We have

made a small break through with the Auto Owners Company in Michigan and need to push now to get the program widely accepted. Promotion and public recognition of program involvement will be key. We have also been given press in the Non-point Source News- Notes and this will help further our program in the region.

We also plan to promote this program with the insurance companies help at regional and nationally conventions that have the same goals as our program.

Project Milestones:	Dates:
Research insurance companies	07/2000
Meeting to interest insurance companies	09/2000
Research records of past 10 years	10/2000
Market plan around the region	04/2000
Enroll Landowners practices	06/2000
Promote Regionally	09/2000
Promote Nationally	01/2001
Project End	02/2001

Project Addresses Environmental Justice

If So, Description of How:

Allows anyone to participate regardless of farm size, location, race thnic, or socioeconomic group. The percent of premium reduction from a specific company is the same national wide.

Project Addresses Education/Outreach

If So, Description of How:

While we are marketing and developing the program we will have many opportunities to work and educate the general public.

1. First we will educate the insurance companies on what practical measures help with pollution prevention and the impact they have on the land that the insurance companies insure.
2. We will reach the landowners on what methods are out there to help them with their environmental problems and that they are not alone in feeling that their implementation is important.
3. Hopefully it will give us a chance to educate industry on how we can all work together for a common goal.

Project Budget:

	Federal Share Requested (\$)	Applicant's Share (\$)
Personnel:	15,000	4,000
Fringe:	3,200	0
Travel:	3,500	500
Equipment:	400	100
Supplies:	500	125
Contracts:	0	0
Construction:	0	0
Other:	750	300
Total Direct Costs:	23,350	5,025
Indirect Costs:	2,500	800
Total:	25,850	5,825
Projected Income:	0	0

Funding by Other Organizations (Names, Amounts, Description of Commitments):

All applicant's share of funding at this time is being provided by the Antrim Conservation District. Their employees were fortunate enough to start this program and they would like to see it to the end.

We have approached the Michigan Department of Agriculture, but have not heard if they have decided to fund it.

Description of Collaboration/Community Based Support:

Auto Owners Insurance Company

Local landowners

Michigan Groundwater Stewardship Program

All of the above have expressed interest in the furthering of the program and would be glad to send letters of support.