

Protecting Against Environmental Risk in Changing Climates

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POLLUTION LEGAL LIABILITY COVERAGE & HOW IT CAN AFFECT PROFITABILITY

Already expecting a downturn, the commercial construction industry was further impacted when COVID-19 either delayed or shuttered projects nationwide and a seemingly endless barrage of storms caused more than \$95 billion in damages across the United States alone. This is on top of the growing array of emerging contaminant liability claims that increasingly plague jobsites and the rise of nuclear verdicts in the casualty line sector that grew by 335% from 2012 to 2019 according to American Transportation Research Institute.

As a result of these devastating conditions and the growing societal and governmental emphasis on environmental

owners, developers, and contractors to insure against a multitude of risks, including the disposal of hazardous waste

symptoms and is particularly dangerous when working with water) have grown exponentially over the past decade.

The problem is that the bottom lines of many of these shareholders just haven't kept pace with the rising cost to protect their businesses with the appropriate risk management strategies. Due to an unprecedented spate of exposures and the greater scrutiny of carriers, U.S. commercial property insurance rates are now rising at their fastest pace since



9/11 according to the Council of Insurance Agents & Brokers. As an example, Risk Placement Services Inc. recently reported that it expects commercial property insurance buyers to see higher prices in 2021, with rate increases in the high single-digits to 15% range even on clean accounts.

MODERN RISKS

So, where does this leave a struggling company looking to environment? For many, it means cutting costs to make ends meet. In some cases, this even involves eliminating the risk management strategies needed to help prevent against the

plague jobsites on a near daily basis. For example, the Merit

