

# New Jersey insurance agents beware: Scientists say an earthquake is in the state's future

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*By Josh Chetwynd*

While you might not need to start running for a safe place just yet, a new report warning that New Jersey is in line for a sizeable earthquake should capture the attention of brokers, according to Frank Jones, chairman of the Independent Insurance Agents & Brokers of New Jersey (IIABNJ).

"Our insured aren't nearly as informed as they need to be," Jones said. "Because of the lack of activity, it is probably not on the front burner of agents' minds, but it should be."

A recent report in South New Jersey's Courier- Post explains that the state, which isn't normally given to seismic tremblers, has a potentially serious earthquake in its future. The Aug. 30 story explained that "researchers say New Jersey is overdue for a moderate earthquake of 5.0 or greater." One scientist quoted went even further, adding New Jersey was "[I]ong overdue" for such an event.

From an insurance standpoint, serious damage caused by an earthquake could be financially catastrophic as only a small minority of the region owns coverage for this eventuality. A 2014 study by the Insurance Information

Institute found that about 2% of property owners in the Northeast have earthquake coverage.

For their part, the IIABNJ has circulated this story on social media, and Jones is particularly pleased that the news media has shined a light on the topic. While many might think the idea of an earthquake in New Jersey is far-fetched, he says, the article offers credibility for discussing this danger with clients.

"Those [types] of articles are important," Jones said, "because they show that we are not in a selling mode, but we are trying to keep [clients] educated and understanding risks."