



FOREST RESOURCES ASSOCIATION INC. **LOSS CONTROL**

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OVERVIEW

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LCO-26

LOGGING LIABILITY: PROPERTY DAMAGE

Liability, [def.]: the state of being legally bound, as to make good any loss or damage that occurs in a transaction or operation; answerable; *responsible*.

A logging contractor may be liable for "property damage" as the result of his operations. Claims occur when "someone else's property" is damaged as the direct result of the logging operation. A logger may be legally liable for payment of the "damages" to the "injured party" for repair or replacement of the damaged property. A logger could be ordered to make substantial out-of-pocket payments for the "property damage," creating a severe financial crisis for his business.

Loggers may purchase "General Liability" insurance, which provides the logging firm coverage for payment of "property damage claims" to the "public." This insurance may be referred to as "Public Liability." The insurance policy will make payment for the logger's "covered legal liability" of the "claimant's property damages" up to the policy liability limits. It is important to remember: in order for a claim to be covered, there must be "legal liability." General Liability can also protect the logger against claims occurring as the result of operations by others acting on the logger's behalf as an agent or subcontractor. Be aware, the insurance provided is subject to the terms and conditions of the individual policy. General Liability insurance does not cover personal injuries to direct employees while on the job or property damage or personal injury to others in motor vehicle accidents. These risks should be covered by Workers' Compensation and Automobile Liability insurance policies, respectively.

The risk of Property Damage increases when logging takes place near fences, power and telephone lines, buildings, homes, and public areas adjacent to the harvesting site. Loggers can minimize their exposures by having a detailed logging plan and thoroughly reviewing it with logging crew members prior to beginning work on the harvesting site.

This plan could include the following:

1. Survey the harvesting area and adjacent property for existing structures and areas to be avoided. Clearly mark and identify these hazard areas for your employees.
2. Identify and clearly mark the harvesting tract boundaries, and notify adjacent landowners when appropriate.
3. Prior to logging, take "before" pictures of poorly maintained or damaged structures, fences, buildings, power and telephone lines, etc. located on or near the harvesting site, so any fraudulent claim presented can be refuted.
4. Employees must immediately alert their supervisor of any "unexpected" property located on the harvesting site prior to any logging activity in that immediate area.
5. Trees should be directionally felled away from fences, power lines, buildings, and adjacent property.
6. Use extreme caution when felling with high-speed disc saws when working near buildings, roads, and homes. Direct the "discharge" away from these areas.
7. Avoid skidding on public or private rights-of-way or roads.
8. Fire suppression equipment must be available at all times on the logging site.
9. Warming fires must be contained and completely extinguished daily before leaving the tract.
10. If logging debris and slash accidentally fall on adjacent property, remove it promptly, and repair any damage.
11. Keep mud and debris cleared off roads.
12. Park all vehicles away from all logging activity and off of public rights-of-way.

Remember! It is the logging contractor's duty to assure the "right of safety" to the public. With proper planning, employee training, and strict adherence to safety procedures a logger's "property damage legal liability risks" can be managed and reduced.

Please follow equipment manufacturers' recommendations for safe operation and maintenance procedures.