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NEW YORK BOAT OWNERS NEED PROPER INSURANCE PROTECTION

ALBANY, N.Y.—As the Fourth of July holiday weekend approaches, boating season is well underway in New York State.

And with private boat accidents causing more than \$2 million in property damage in New York, having the appropriate insurance coverage is essential, says the New York Insurance Association (NYIA).

Although collision with another boat is the most reported type of accident—windstorms, hurricanes, fire and theft also pose significant threats, according to NYIA.

The U.S. Coast Guard reports that in 2007 (latest data available), there were 180 boating accidents in New York resulting in 133 injuries and 21 fatalities. According to the National Insurance Crime Bureau (NICB), 104 watercraft were stolen in 2008 within New York's borders.

Keep in mind that boating accidents occur on land as well as water—extensive damage to the hull can occur if a boat is not properly secured when towed.

Canoes, small sail boats, and motorboats equipped with engines that cannot exceed 25 mph are generally covered under a homeowners or renters insurance policy, according to NYIA. Coverage is usually about \$1,000 or ten percent of the home's property value and generally includes the boat, motor, and trailer combined. Liability coverage is typically not included—but it can be added as an endorsement to a homeowners policy.

Larger and faster boats, yachts, and personal watercrafts such as jet skis and wave runners require a separate boat insurance policy.

For physical loss or damage, coverage includes the hull, machinery, fittings, furnishings and permanently attached equipment for an agreed value. These policies also provide broader liability protection than a homeowners policy.

Boat insurance also covers:

- Bodily injury – for injuries caused to another person.
- Property damage – for damage caused to someone else's property.
- Guest passenger liability – for any legal expenses incurred by someone using the boat with the owner's permission.
- Medical payments – for injuries to the boat owner and other passengers.
- Theft.

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Most companies offer liability limits starting at \$15,000 and can be increased to \$300,000. Typical policies include deductibles of \$250 for property damage, \$500 for theft and \$1000 for medical payments. Higher limits may be available. Additional coverage can also be purchased for trailers and other accessories. Boat owners may also consider purchasing an umbrella liability policy which will provide additional protection for their boat, home and car.

The type and value of the vessel, the location where it is kept, and the engines' horsepower are all factors in determining coverage and premium.

Boaters should also inquire about special equipment kept on the boat, such as fishing gear, to make sure it is covered and verify that towing coverage is included in the policy.

Another variable influencing the cost of insurance is where the boat is used—navigating in the Caribbean is generally riskier than on a quiet lake. The NYIA suggests that boat owners discuss their insurance needs with their insurance agent or company representative.

Boat owners should also inquire about discounts including:

- Diesel powered crafts. It is less hazardous than gasoline since it is less likely to explode.
- Coast Guard approved fire extinguishers.
- Ship-to-shore radios.
- Two years of claims-free experience.
- Multi-policies with the same insurer, such as a car, home or umbrella policy.
- Safety education courses, such as those offered by the Coast Guard Auxiliary (www.cgaux.org), U.S. Power Squadrons (www.usps.org), or the American Red Cross (www.redcross.org).

Boaters can get more information about insurance coverage by calling their insurance professional. Information on how to protect a boat from theft can be found at the National Insurance Crime Bureau's Web site at www.nicb.org.

The New York Insurance Association (NYIA®) is a state trade association that has represented the property and casualty insurance industry for over 125 years. For more information on NYIA, visit www.nyia.org.