

How to Reduce your Boat Insurance Premium

From Black & Associates Insurance, Inc.

8605 N Division Suite A, Spokane, WA 99208

BOAT INSURANCE BUYING TIPS

CONSOLIDATE INSURANCE POLICIES

Insuring your boat and home together could save you 10 - 15% on your premium. Be sure, however, that the coverage for your boat is specifically tailored for pleasure craft operators.

INCREASE THE DEDUCTIBLE

One rule of thumb is to carry the highest deductible, you can afford. By increasing your deductible from \$100 to \$1000, you could achieve up to a 20% decrease in your premium.

IMPROVE YOUR BOAT SECURITY

Most insurance companies offer discounts for burglar alarms covering your boat while it is at your home. Boats with burglar alarms connected to third-party monitoring companies receive higher discounts than boats with local bell alarms.

CONSTRUCTION TYPE

Before buying a boat consider its construction--you may have difficulty finding insurance for a boat made of wood. Recently renovated boats cost less to insure, so you may want to find out when the last major electrical, heating and plumbing update was completed. Also, you can save 5% just by maintaining an automatic built-in fire extinguisher in the engine compartment. If your boat is operated by a diesel engine, a discount is available for Physical Damage coverage. You may want to ask your insurance company if the boat you are considering is on their watch list or check do your own search from the [U.S. Coast Guard](#) product recall database. They even have a consumer assistance hotline at 1-800-368-5647.

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VERIFY DISTANCE TO FIRE STATIONS AND COASTAL AREAS

Just like owning a home, if you live out in the country you'll probably pay higher rates for your boat than if you lived in town. This is because of the distance between your local fire station and where your boat is moored. If your boat is more than 5 miles from the nearest fire station and more than 1000 feet from a fire hydrant, you will probably pay a higher premium. It costs more to insure a boat in coastal waters, especially in areas exposed to hurricanes, than boats in inland lakes and rivers, and still more if you use your boat throughout the year. You may not be able to get windstorm coverage in some areas if you cannot assure the insurance company that before a hurricane your boat will be taken to a "safe harbor" such as a concrete storage facility or warehouse, depending on the size of your craft.

CLAIMS FREE RECORD AND RENEWAL DISCOUNTS

If you have not had a claim in the last 3-5 consecutive years, you could receive up to a 15% discount, depending on the insurance company. Most companies will discount your premium if the policy has been in force for 3 continuous years.

LOAN FREE DISCOUNTS

Some insurance companies target boat owner's who have paid off their loan, and offer them premium discounts of up to 5%.

NEW BOAT DISCOUNTS

The majority of insurers offer a discount for new boats, so if your boat was built in the last 5 years, you may qualify. If you own an older boat, you could be required to pay for an extensive survey. Although the survey will not usually result in a discount, it may be necessary to obtain coverage. Your survey should be completed by any qualified marine surveyor or an Accredited Marine Surveyor prior to purchasing a used boat. Check with your insurance company for an approved surveyor.

NON-SMOKER OR EARLY RETIREE DISCOUNTS

Some companies offer a non-smokers discount of up to 10% to qualified owners. You must be a non-smoker and you cannot permit on-board smoking by any passengers or crew. Additionally, you can receive from most companies a Retiree or Senior Citizen discount of 10% if you are 55 or older.

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CLEAN DRIVING RECORD AND SAFETY COURSES

Tickets and accidents increase your premiums. Most insurance companies offer discounts to drivers with boating experience and favorable family driving records. If you do not have a valid automobile drivers license, you will probably have difficulty obtaining insurance as

most companies run a motor vehicle report on all their policyholders. Some insurers will offer a discount if you complete a certified safety course from the U.S. Coast Guard Auxiliary or U.S. Power Squadron Education program. The discounts vary between 7-10%. Also, some insurance companies offer a credit if you have a full-time captain or crew.

CONCLUSIONS

After reviewing all of the savings tips, you may have determined that if you added up all your credits you could receive a 70 - 90% reduction in your premium. Well, unfortunately it doesn't work like that. Certain measures that you take may qualify you for being placed with the "preferred" company of a particular insurance group. This "preferred" company will be able to give you additional premium credits.

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