

Insights & Updates

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Everyone needs more than the minimums for auto insurance

For many drivers first purchasing auto insurance, the state minimums may seem appealing when trying to budget for car payments, insurance premiums and gas prices. Yet, even for drivers without assets to protect, it's worth considering a policy with higher limits than the minimums in New York state.

Currently, New York requires drivers to have \$25,000 in coverage per person, \$50,000 in coverage per accident maximum, and \$25,000 in coverage for property damage. This covers the driver's liability up to those points. In an accident in which the driver is found liable, the costs of medical expenses for the driver and passengers (if there are any) of the other vehicle may exceed these amounts quickly. Once those amounts have been met, the driver remains liable for the costs of the accident, but the insurance company no longer covers those expenses.

For drivers who have built up assets such as owning a house—maintaining

the state minimum coverage can put those assets at risk. Auto insurance limits should be raised to protect homes and investment accounts as well as cars and drivers. Umbrella policies can add an additional layer of protection by providing additional insurance above the auto limits.

Even new drivers who may not have assets should consider higher limits to protect themselves from a potentially costly accident. The premium may be more than the minimum coverage, but worth the investment in protecting yourself from the potential costs of a collision.

No matter where you are in life and what you must protect, all drivers benefit from discussing increased auto insurance levels. Call our office today, we can offer you advice to help you determine what coverage makes the most sense with your needs and budget.



Roommates: They are not just for college anymore

The average person will live in **11 different locations** in his or her lifetime.

People who are most likely to live with a **roommate** are between the **ages of 18 and 24.**

Average rent prices have increased at a rate of **86% per year since 1980.**



A 2018 Pew Research Center study cited that nearly 1-in-3 U.S. adults live with at least one adult roommate. Now that inflation and everyday costs are spiking, you may be in the market for a roommate to defray some of your expenses. Who doesn't want to pay half of the electric bill? Do you know how this action may affect your homeowners or renters insurance?

Many insurance companies will allow you to write a renters policy naming all your housemates. However, since 2000, the standard homeowners policy (HO 04 58—Other Members Of Your Household endorsement) has offered a way to insure unrelated household members—whether that member is a senior citizen, disabled person, roommate or partner.

For additional premium, you can add personal property coverage, additional living expense coverage and liability coverage to scheduled unrelated persons who are not guests, residence employees, tenants, roomers or boarders, persons under 21 in the legal custody of, and living with, a scheduled person, are covered automatically by the

endorsement. However, it might be better to have your new roommate purchase his or her own renters insurance policy. This way your roommate will be able to control the coverages that best suit him or her.

Of course, the rented building is not covered, but there is limited coverage for building improvements or installations, made or acquired at your expense. Keep in mind that a renters policy is not going to cover floods and earthquakes without an endorsement or a separate policy. Also, you and the roommate will need to evaluate the need for other insurance, such as, a personal auto policy, a personal articles floater or a personal umbrella policy.

If you are making changes to your living situation, give our agency a call. We are more than happy to review your current policy with you to help you determine the best limits and coverages for your needs. Have your new roommate give us a call, too!



Make sure you are the only **YOU** out there

The Federal Trade Commission processed 2.8 million fraud reports—totaling more than \$5.8 billion in losses in 2021. Identity theft occurs when an unauthorized person uses your personal identifying information (e.g., your name, Social Security number, credit card number or financial account information), without permission.

You may not realize you are a victim until you review your financial statements, or you are contacted by a debt collector.

Reduce the risk of identity theft and protect yourself by:

- Shredding documents with personal information, including pre-approved credit offers.
- Reviewing financial account and billing statements.
- Using fire walls, anti-spyware and anti-virus software and keep it updated.
- Using trusted, encrypted websites—do not respond to spam, pop-ups or unsolicited emails.
- Limiting the amount of personal information on social-networking sites.

- Using strong and different passwords on each online credit and banking account.
- Destroying labels on prescription bottles before you throw them out.

Additionally, you should never provide personal information over the phone, through the mail or internet unless you know the firm or person. And, never carry your Social Security card in your wallet or write your number on a check.

You shouldn't share your health plan information with anyone who offers free health services. If you are an active-duty military member and away from your usual duty station, place an active-duty alert on your credit reports to minimize the risk while deployed. This will remove your information for prescreened credit card offers for two years.

Even if you take precautions, identity theft can happen to you. It has serious implications, such as: loss of money and time spent to repair damage to your name and credit record; loss of job opportunities; denied loans for housing, cars or education; and possible arrest for

crimes you did not commit.

For more information on identity theft and for a reporting portal, you can log on to the FBI Cyber Crime website: www.fbi.gov/investigate/cyber.

You may not realize you are a victim until you review your financial statements, or you are contacted by a debt collector.

Identity-theft insurance can provide reimbursement for expenses resulting from the crime, such as phone bills, lost wages, notary and certified-mailing costs and attorney fees. It is inexpensive and may be endorsed to your homeowners or renters insurance policies.

If you are interested in the insurance, give our agency a call, we can provide more details on this coverage.

Self-storage units

It used to be that if you asked us if your homeowners insurance policy covered your property anywhere in the world, we could reply: “Yes. However, if your property is in another one of your residences, then coverage is limited to 10% of the limit shown in your primary homeowners policy.” Then, we would ask which property you were discussing, so we could make sure it wasn’t listed in the homeowners insurance policy’s exclusions or limitations, and needed an umbrella policy.

Now we need to ask you an additional question: “Is your property stored in a self-storage facility?”

According to a recent edition of a homeowners form, there is a paragraph that addresses limitations for “self storage facilities” for new homeowners insurance policies. This change only provides 10% of the

personal property limit for items in self-storage facilities—before the change, the 10% limitation was only on items stored at a secondary residence. Since people don’t live in storage units, this limitation did not apply.

There is an exception to this 10% limitation. If the property has been removed to a self-storage facility because your premise is being repaired or renovated because it is unfit to be lived in at the time, then there should be full coverage.

So, if you have property in self-storage units, give our agency a call. We’ll be able to tell you if this change affects your homeowners policy and if you need additional coverage to protect your property. We’d rather you find out now, before you need to file a claim.



News from our agency

Working with an independent agency

Each season offers its own perils that insurance may mitigate.

If you have had big changes in your lifestyle this winter, we’d like to hear about them.

If they are positive changes, we’d like to celebrate them with you, and if they are less positive, we may be able to help you with your insurance needs.

