

Boat insurance basics: What's covered

Learn about boat insurance and what the coverage may mean for you.

Did you know that boat insurance is one of the **earliest known forms of insurance**? Ancient sailors knew firsthand about the risks of a life at sea and sought to **insure their boats against hurricanes** and other unpredictable weather and waters. And it still applies today.

Boat insurance policies can vary widely in what they may or may not cover based on a number of considerations. Some of the factors include: type and age of the boat, where it will operate (waterways) and boat usage (length of boating season). Still, there is basic coverage available as well as some potential discounts for safe boaters.

Physical damage

This coverage insures your boat against damage and loss caused by common risks, such as sinking, fire, storms, theft and collision. The property covered can vary, but the policy will typically cover the hull and other components, such as:

- Motors
- Extra fuel tanks, batteries, etc.
- Anchors
- Onboard safety equipment, such as flotation devices and fire extinguishers

A **boat trailer** may or may not be covered, depending on the policy. **Talk with your agent** to determine if your boat insurance policy covers your trailer.

When choosing your policy, consider asking whether you will be insured for the boat's **replacement cost or its actual cash value (ACV)**. A replacement cost policy will reimburse you for the cost of repairing the boat to its original condition or replacing the boat with the same or similar model. A policy based on ACV will reimburse you for the value of the repair or replacement (cost to repair or replace the property minus depreciation) at the time of the loss. Some insurance policies may include agreed value loss settlement for total loss situations. This ensures you receive the policy coverage limits if your boat is determined to be a total loss.

Liability coverage

This coverage applies if your boat causes injury to others or damage to other boats, docks or structures. Keep in mind that the injury or damage can be due to direct contact with your vessel or situations caused by your vessel, such as large wakes. Boat liability coverage helps protect you from covered claims and lawsuits including payment of settlements and legal fees. Consider your needs and possible risks so that you purchase the best liability coverage for you and your boat.

Other coverage

Your insurer may offer additional kinds of coverage to go with your basic boat insurance. A State Farm® **boat insurance policy** may provide coverage for temporary repairs, emergency service and wreck removal as part of your basic contract. For additional information, talk with your agent.

Optional coverage

In addition to what is offered as part of your basic policy and depending on your boating needs, you may want to consider purchasing coverage like:

- Reimbursement for your boat rental in case of a covered loss
- Coverage for your boat when rented to others
- Liability coverage when using a rented boat
- Uninsured and underinsured coverage

Discounts

A way to help lower your boat insurance premium is to become a safer boater. For example, many insurers offer discounts to boaters who have completed an **approved boating safety course**.

Other frequently asked questions about boat insurance

What sets State Farm boat insurance apart?

- We've got over 19,000 agents nationwide – chances are there's one near you.
- State Farm has been insuring customers since 1922.
- We offer competitive rates and broad coverage options to help meet your needs, including agreed value loss settlement for total losses.

Does boat insurance cover sinking?

State Farm typically insures against perils like sinking, fire, theft and storms, just to name a few. Check out [more details on boat insurance](#), or talk to a State Farm agent for more information.

What types of boats are typically insured by State Farm?

State Farm offers [boat insurance for a wide variety of water-going types](#) like sailboats, fishing boats, [kayaks](#), [canoes](#) and even [jet skis](#). Contact a [local insurance agent](#) for a quote today!

Buying boat insurance may help you be prepared when the unexpected happens. And if you're interested, learn [more boating safety ideas](#), advice on [how to trailer your boat](#) and what to do in the case of a [boating accident](#).