

# Yacht Insurance and Market Update

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## Good News After Hurricane Season

Let's start with some good news—we made it through the 2025 hurricane season without any serious impact to boating interests in the U.S. That said, we need to keep the people of Jamaica in our thoughts and prayers as they face a long road to recovery following Hurricane Melissa. The storm caused widespread devastation, including flooding, landslides, and significant damage to infrastructure and property—much like Hurricane Dorian's impact on the Abacos seven years ago, where recovery efforts continue to this day.

## Market Update: Yacht Insurance

There continues to be a strong mix of U.S.-based A+ rated yacht carriers, along with Lloyd's of London markets, available to boat buyers and owners. Over the past two to three years, the market has stabilized, and premium increases have slowed. Today, the main driver of rate adjustments is the rising cost of vessel repairs—due both to inflation in raw materials and the growing complexity of work, particularly on electrical and electronic systems.

## Two most Frequently Asked Questions

*"Can I keep my boat in Florida during hurricane season if I'm not there?"*

For absentee owners, options are very limited, especially for larger vessels. If coverage is available, carriers typically require a detailed hurricane plan, a guaranteed haul-out provision, and often a designated captain to oversee the boat. Full-time Florida residents have more flexibility as long as a solid hurricane plan is in place.

*"How big of a jump in Boat size will insurance carriers allow?"*

When it comes to size increases, carriers are generally comfortable with jumps of about 10–12 feet, particularly for vessels under 40'. Larger jumps—15 feet or more—usually require formal captain's training, ranging from 25 to 200 hours depending on the size jump and boating experience. A detailed boating résumé, including ownership, charter, and operating history, can make a significant difference when seeking quotes.

## Policy Review: Protect Your Investment

Take time to review your policy at renewal—or before launching in the spring if your boat is in layup. Confirm you have an Agreed Value policy, which pays the insured amount in a total loss, rather than an Actual Cash Value policy, which factors in depreciation.

Ensure you have adequate liability coverage—I recommend at least \$500,000 for vessels valued at \$100,000 or more—and consider adding an umbrella policy, which is affordable and can extend your yacht policy limits. If your boat is in layup, notify your carrier before moving it during that period. A quick endorsement can maintain coverage and prevent uncovered claims.

## Closing Thought

Taking these steps now ensures you're fully protected and ready for a safe and enjoyable season on the water.