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### Message to Our Customers

Since State Farm® started insuring property in the state, populations have grown and with that more homes and commercial properties have been constructed in areas susceptible to extreme weather events. Over this same period, State Farm's business has grown and we must responsibly assess the risk presented in coastal areas of New York and make balanced decisions that account for the impact on our customers and our company.

Over the years, State Farm has taken significant steps to manage the risks presented by hurricanes and other extreme weather related events that threaten coastal areas of New York. While some areas are more prone to catastrophes than others, none are immune. State Farm realizes that it must be proactive in managing its exposure to coastal catastrophes.

It's with this knowledge that State Farm has made a very difficult decision that will affect a portion of our Metro New York and Long Island customers. You should know that:

- State Farm will implement a three-year plan to reduce its exposure in disaster prone areas, beginning in 2011 and ending 2013.
- Approximately 9,000 homeowner and commercial policies in Metro New York and Long Island will be non-renewed annually.
- As an annual average, the number of non-renewals represents approximately 1.12% percent of the business written by State Farm Fire and Casualty Company in New York State.
- If your policy is among those to be non-renewed between early 2011 and the end of 2013, you will receive notice, as required by New York State law:
  - At least 45 days, but not more than 60 days notice of non-renewal for homeowners policies
  - At least 60 days, but not more than 120 days notice of non-renewal for commercial policies.

We apologize for the inconvenience this will cause. To keep commitments we've already made to customers it is important we carefully consider any future commitments we make. That means taking a balanced approach in managing the risk we carry in coastal regions of our state. We remain committed to helping affected people through this transition.

State Farm remains committed to the state's insurance market, insuring a significant amount of properties in Metro New York. Even after the non-renewal process is complete, State Farm will remain one of the largest writers of homeowners insurance in New York.

Customers who have questions should refer to the resources presented on this website and contact their [State Farm agent](#). Your State Farm agent will be the best source of information about the steps you can take to find alternative homeowners coverage. All our New York associates are committed to providing you with quality service and will continue to offer products from State Farm. State Farm appreciates your business.

## Overview of Non-renewal Process

### What to do if you received non-renewal notification

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#### What does “non-renewal” mean?

There is a difference between the “non-renewal” and “cancellation” of a homeowner’s insurance policy.

Homeowners policies in New York renewals take place on the third-year anniversary of the policy’s renewal date. Commercial policies in New York take place on the first anniversary of the policy’s renewal date. The renewal date is the date the policy was originally issued. Therefore, the difference between non-renewal and cancellation are:

- **Non-renewal:** is when you or your insurance company does not renew your policy at the renewal date.
  - **Cancellation:** is when you or your insurance company terminates your policy before the renewal date.
- After your homeowners policy has been in effect for 60 days it may not be cancelled or non-renewed for a three year period (required policy period - one year in the case of commercial policies), except for certain reasons defined under New York Insurance Law.
- At the end of this three year period, your company may decide not to renew your policy. New York State law requires insurers to provide the named insured:
- At least 45 days, but not more than 60 days notice of non-renewal for homeowners policies. At least 60 days, but not more than 120 days notice of non-renewal for commercial policies.
  - The specific reason or reasons why the policy was non-renewed.
  - Information about the potential for coverage through NYPIUA and C-MAP.

If you think the reason for non-renewal is unfair or want a further explanation, please contact your [State Farm agent](#) or [State Farm directly](#). The New York Insurance Department has a [consumer complaint resource](#) webpage available for additional information. The Insurance Department may also be contacted at 1-800-342-3736.

## Homeowners Customer Resources

### Where can I find coverage?

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You do have options for homeowner's insurance coverage. Many insurance companies are licensed to provide homeowners insurance throughout New York, including Metro New York. State law requires insurance companies to give you proper notice before non-renewing your policy (45 to 60 days). Following the steps below will help increase your probability of obtaining coverage in timely manner.

### What are the next steps I should take to find coverage?

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- We encourage you to speak with your State Farm agent. State Farm agents are there to help customers obtain access to the information they need to make informed decisions about their insurance coverage. Your State Farm agent may be able to provide you with a list of alternative insurers through whom homeowners coverage might be available. However, it's important to note that that your State Farm agent cannot recommend a specific insurer or agent/broker representing another insurer.
- Additionally, State Farm agents participate in both the [New York Property Insurance Underwriting Association policy \(NYPIUA\)](#) and [New York Coastal Market Assistance Program \(C-MAP\)](#) programs. Agents can provide you with a quote and potentially homeowners coverage with NYPIUA or C-MAP.
- Utilize the [Homeowners Insurance Resource Center](#) provided by the New York Department of Insurance. This website has links to important information that can help you find homeowners coverage, such as; a [Consumer Shopping Guide for Homeowners and Tenants Insurance](#), information on [buying homeowners insurance](#), how to [choose a policy](#) and [price comparison charts](#).

### What if I can't find coverage?

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Insurance options exist for property owners that cannot find homeowners coverage in the primary market. The New York Insurance Department has the following special insurance facilities to assist property owners:

- [New York Property Insurance Underwriting Association \(NYPIUA\)](#)  
NYPIUA is a pool of all insurance companies writing property insurance in New York State. It offers property and extended coverage, as well as coverage for vandalism, malicious mischief, and sprinkler leakage to consumers who are unable to purchase this type of insurance from individual insurance companies.
- [Coastal Market Assistance Program \(C-MAP\)](#)  
C-MAP is a voluntary network of insurers and insurance producers that assist New York homeowners in coastal areas find insurance coverages. C-MAP is administered by NYPIUA.
- [Homeowners Insurance in the Excess Line Market](#)  
Under certain circumstances prescribed in the New York Insurance Law and regulations, a property owner may purchase homeowners coverage from unlicensed companies. These unlicensed companies are called excess line insurers and a property owner must use a broker, known as an excess line broker, which is specifically licensed in New York. You should know however, that a policy placed with any of these companies **is not** subject to the protections afforded under New York Insurance Law.

## **What can I do to protect my property from severe weather?**

Here in the Northeast, it's impossible to know when a disaster such as a flood, hurricane or other severe weather event may strike. When it does, preparations will be an important key to protecting your property.

Below are some resources to assist in your personal planning:

- [StateFarm.com – Hurricane Preparedness](#)
- [New York State Office of Emergency Management](#)
- [Federal Emergency Management Agency \(FEMA\)](#)
- [NY State Insurance Department - Disaster Assistance and Resources for Consumers](#)
- [Insurance Information Institute – Disaster Preparedness](#)

## **Commercial Customer Resources**

### **Where can I find coverage?**

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You do have options for commercial business insurance coverage. Many insurance companies and insurance brokers are licensed to provide commercial business insurance throughout New York, including Metro New York. State law requires insurance companies to give you proper notice before non-renewing your policy (60 day to 120 days). Following the steps below will help increase your probability of obtaining coverage in timely manner.

### **What are the next steps I should take to find coverage?**

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- We encourage you to speak with your State Farm agent. State Farm agents are there to help customers obtain access to the information they need to make informed decisions about their insurance coverage. Your State Farm agent may be able to provide you with a list of alternative insurers through whom commercial business coverage might be available. However, it's important to note that your State Farm agent cannot recommend a specific insurer or agent/broker representing another insurer.

### **What if I can't find coverage?**

Insurance options exist for commercial business coverage in New York through other insurance companies or insurance brokers. The New York Insurance Department can also be available as a resource for commercial insurance carriers.

### **What can I do to protect my property from severe weather?**

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- [Insurance Information Institute – Disaster Preparedness](#)