New York State **Insurance** **Department**		**Media Alert** Contact: Public Affairs (212) 480-5262 www.ins.state.ny.us

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Superintendent Lawsky: Flood Insurance Will Cover Flood Damage Caused by Irene

Irene was tropical storm in New York so hurricane deductibles should not apply

NEW YORK, NY (09/01/2011) -- Benjamin M. Lawsky, Superintendent of the Department of Financial Services, announced today flood insurance does cover flood damage caused by Irene. Some individuals who have suffered severe flood damage in New York are being told by their insurers that flood insurance does not apply. In fact, flood insurance covers flooding caused by tropical storm Irene and no insurer should even think about not honoring its commitments under a flood insurance policy.

Separately, Superintendent Lawsky noted that Irene has been designated a tropical storm, not a hurricane, when it reached New York and therefore hurricane deductibles should not apply on homeowners' insurance policies. Homeowners should not have to pay this deductible and insurers should be aware that the Department will make sure they are not hitting consumers with a hurricane deductible, which is often a full five percent of the insured property's value.

Superintendent Lawsky stated, "Homeowners are suffering terribly from this storm and we will continue to ensure that insurers do not abuse those they insure by not paying flood insurance or by forcing homeowners to pay big hurricane deductibles that just don't apply. While Irene obviously started out as a hurricane, by the time it reached New York it was a tropical storm, with winds in the 60 mph range. This makes a big difference for homeowners because it means that special hurricane deductibles will not kick in, saving them thousands of dollars."

Consumers who are being told that their flood insurance does not apply should call the Insurance Department's disaster hotline at 1-800-800-339-1759. The hotline will be open Monday to Friday from 8 a.m. to 8 p.m. for as long as needed.