

Should I Insure My Hobby?

A hobby is an activity a person does for fun or relaxation. If you have a hobby and you haven't thought about how it may affect your insurance needs, consider this an invitation to do so, immediately. There may be some aspect of the "fun" activity you do which should be thought through. Most hobbies involve a lot of personal time, but that's not an insurance concern. However, hobbies often require a large investment in tangible property and may even create some legal responsibility to other persons or their property.

Hobbyists: Collectors and Activists

Hobbies tend to involve either collectors or activists. A collector is more likely to be concerned with gathering property with a characteristic in which he or she has an intense interest. Examples include people who collect stamps, art, coins, autos, antiques (which is a world of its own), comic books, baskets, dishes, glassware, sports memorabilia, etc. The key is that the collection of the class of property is the primary goal of this type of hobbyist. An "activist" (this writer's term) is a person who may also collect a certain type of property. However, the activist's primary goal is to purchase the equipment necessary to participate in the activity. Note that there's a fine line between such a hobbyist and a sports enthusiast. Examples are hunters, musicians, painters, sculptors, cyclists, and enthusiasts of many types, such as fans of model or radio control planes, helicopters, etc. Activists often have an interest in special pieces of property, such as a guitarist who also owns a guitar used originally by Chuck Berry. However, their investment in special property has much more to do with acquiring property, including extra parts that facilitate their interest. An example is a ham radio operator who has an extensive inventory of radio parts for building and maintaining the tools of his hobby. With collectors, the focus should be placed on the nature of the property being acquired. With activists, besides attention to the property exposure, there should be equal emphasis on the liability exposure that's inherent in their activity.

Coverage Needs Created By Your Hobby

Property Coverage - If you're spending the time to buy or trade for property that has special meaning, you should take a little more time to be sure that it's properly insured. Most homeowner policies may, at best, provide minimal protection for the types of property involved with most hobbies. Why? Items such as coins, stamps, antiques, guns, etc. are very vulnerable to loss, especially theft. Also, such property is very valuable in relation to its size. The value of collectibles kept in one room may be more valuable than all of the rest of your home's contents. Finally, even when collectible property is eligible for a policy's full coverage, that may not be enough. You may want your special property to be covered from more causes of loss than your family room couch. It may be worthwhile to buy an endorsement to add additional coverage for your collectibles to your homeowner policy. Depending upon the type and value of your collectibles, you may even have to consider specialty coverage.

Liability Coverage - if your hobby is more hands-on, then you must be sure you're protected against any

legal liability related to your activity. You may want to ask yourself the following:

Are there any liability dangers associated with the hobby?

Does the hobby involve frequent travel to sites or meets?

Does the activity attract frequent visitors to your home?

Do you publish hobbyist newsletters or give advice to others?

Do you actively sell or trade property on or away from your home?

Does your activity involve equipment that's inherently dangerous to others?

Get Serious About Your Hobby

Fortunately many aspects of a hobby, especially legal liability, are covered by a home owner's policy. However, your activity may need special or even business coverage. The way you spend your leisure time should be a diversion from your routine responsibilities. Don't let your enjoyment be interrupted by not being properly covered. Discuss your special interest with an insurance professional. An insurance professional has a special interest in making sure your coverage needs are met.