

By Ms. Amick, a petition (accompanied by bill, Senate, No. 607) of Carol C. Amick and John W. Olver for legislation relative to notice of nonrenewal of insurance. Insurance.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Eighty-Eight.

AN ACT RELATING TO NOTICE OF NONRENEWAL OF INSURANCE.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 175 of the General Laws is hereby  
2 amended by inserting after section 111G the following two  
3 sections: —

4 Section 111H. (1) No insurer shall refuse to renew any policy  
5 of insurance unless not less than forty-five days before the end  
6 of the policy period, the insurer delivers or mails to the insured  
7 written notice of the insurer's intention to nonrenew, the policy  
8 upon expiration of the current policy period. Such notice shall  
9 also be delivered or mailed to any agent and/or any broker  
10 involved in the sale of such insurance to the insured. If notice is  
11 not provided as required by this section, coverage identical to that  
12 provided during the current policy shall be deemed to be renewed  
13 for the ensuing policy period upon payment of a premium equal  
14 to the amount of premium charged for the current policy period,  
15 under the same terms and conditions, unless and until the insured  
16 either has accepted replacement coverage with another insurer or  
17 has agreed to the nonrenewal. This section shall apply to personal  
18 lines of insurance issued or delivered within or without the  
19 commonwealth, on a risk located in the commonwealth as  
20 determined by the commissioner by regulation; provided,  
21 however, that this section shall not apply to: aviation insurance;  
22 employers' liability and workers' compensation insurance; motor  
23 vehicle liability insurance; liquor legal liability insurance; or  
24 medical malpractice liability insurance.

25 (2) If an insurer is unable to determine whether a policy will  
26 be nonrenewed forty-five days before the end of the policy period,  
27 because relevant and material information previously requested  
28 from the insured has not been provided to the insurer, the insurer  
29 may give the insured notice of nonrenewal as provided in  
30 paragraph (1) but may include with such notice a description of  
31 the information which the insurer requires from the insured to  
32 reconsider the nonrenewal.

33 (3) If an insurer is unable to determine whether a policy will  
34 be nonrenewed forty-five days before the end of the policy period,  
35 because relevant and material information, as determined by the  
36 commissioner by regulation, has not been made known to it by  
37 an independent reinsurer, the insurer shall deliver or mail to the  
38 insured, not less than forty-five days before the end of the policy  
39 period, written notice of the insurer's inability to determine  
40 whether the policy will be renewed. Such notice shall also include  
41 a description of the information that has not yet been made known  
42 to it by the reinsurer that will enable the insurer to make a final  
43 determination on whether to renew the policy. Upon making a  
44 final determination, the insurer shall notify the insured of such  
45 final determination. Coverage under the current policy shall  
46 continue for at least forty-five days beyond receipt by the insured  
47 of such notice of final determination. If such forty-five day period  
48 extends beyond the expiration date of the current policy and the  
49 current policy is not renewed, the coverage provisions and the  
50 premium, prorated for the shortened period, shall be identical to  
51 that provided by the nonrenewed policy.