

By Mr. Saulnier of New Bedford, petition of Joseph D. Saulnier for requiring notices of cancellation of compulsory motor vehicle liability insurance policies to specify in detail the reasons for such cancellation. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Five.

AN ACT REQUIRING THAT A NOTICE OF CANCELLATION OF COMPULSORY LIABILITY INSURANCE POLICIES SPECIFY IN DETAIL THE REASON OR REASONS FOR SUCH CANCELLATION.

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 113A of chapter 175 of the General Laws is
2 hereby amended by striking out provision (2), as most
3 recently amended by section 2 of chapter 648 of the
4 acts of 1951, and inserting in place thereof the following
5 provision: —

6 (2) That, except as otherwise provided in provision
7 (2) A and in section one hundred and thirteen D, no
8 cancellation of the policy, whether by the company or
9 by the insured, shall be valid unless written notice
10 thereof is given by the party proposing cancellation to
11 the other party specifying in detail the reason or reasons
12 for such cancellation and to the registrar of motor ve-
13 hicles in such form as he may prescribe, at least twenty
14 days in each case prior to the intended effective date
15 thereof, which date shall be expressed in said notice,
16 and that notice of cancellation sent by the company to
17 the insured, by registered mail, postage prepaid, with
18 a return receipt of the addressee requested, addressed

19 to him at his residence or business address stated in the
20 policy shall be a sufficient notice, and that an affidavit
21 of any officer, agent or employee of the company, duly
22 authorized for the purpose, that he has so sent such
23 notice addressed as aforesaid shall be prima facie evi-
24 dence of the sending thereof as aforesaid; together with
25 a provision that, in the event of a cancellation by the
26 insured, he shall, if he has paid the premium on the
27 policy to the company or to its agent who issued the
28 policy, or to the duly licensed insurance broker, if any,
29 by whom the policy was negotiated, be entitled to re-
30 ceive a return premium after deducting the customary
31 monthly short rates for the time the policy shall have
32 been in force, or in the event of cancellation by the
33 company, the insured shall, if he has paid the premium
34 as aforesaid, be entitled to receive a return premium
35 calculated on a pro rata basis; provided, that if the in-
36 sured after the sending of a notice of cancellation by the
37 company, which is also duly filed with the registrar of
38 motor vehicles, or after giving such a notice to the com-
39 pany and the said registrar, files a new certificate under
40 section thirty-four H of chapter ninety prior to the in-
41 tended effective date of such cancellation, the filing of
42 said certificate shall operate to terminate the policy on
43 the date of said filing, and the return premium, if any,
44 payable to the insured shall be computed as of the date
45 of said filing, instead of the intended effective date of
46 cancellation expressed in the notice thereof; and, pro-
47 vided further, that if the final effective date of a can-
48 cellation by the company is fixed by an order of the
49 board of appeal on motor vehicle liability policies and
50 bonds or of the superior court, or a justice thereof, as
51 provided in section one hundred and thirteen D, the
52 return premium, if any, payable to the insured shall be
53 computed as of such final effective date.