

127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 220

H.P. 152

House of Representatives, February 3, 2015

An Act To Require Proper Notification of Life Insurance Cancellation

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative DOORE of Augusta. Cosponsored by Senator KATZ of Kennebec and

Representatives: BROOKS of Lewiston, FOWLE of Vassalboro, GILBERT of Jay,

HICKMAN of Winthrop, MARTIN of Sinclair, NADEAU of Winslow, SAUCIER of Presque

Isle, Senator: JOHNSON of Lincoln.

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. 24-A MRSA §2556, sub-§1, as enacted by PL 2007, c. 40, §1, is amended to read:
4 5 6 7 8 9	1. Notice to 3rd party. An individual life insurance policy that has been in force for at least one year may not be terminated for nonpayment of premium unless, at least 21 days prior to the expiration of the grace period, the insurer has mailed by registered mail a notice of cancellation to the policyholder and any 3rd party designated by the policyholder by name and address in writing. The bureau shall adopt rules to implement the notice requirements under this subsection.
10	SUMMARY
11 12	This bill requires insurers to provide notice of the lapse or termination of a life insurance policy by registered mail.