

Effective 5/10/2016

31A-22-322 Improper administration of cancelled auto insurance coverage.

- (1) Upon cancellation by an insured of auto insurance coverage, the insurer shall discontinue any automatic payments and withdrawals related to the cancelled policy before the later of:
 - (a) 15 days after the request for cancellation; or
 - (b) 15 days after the effective date of the cancellation.
- (2) After cancellation by an insured of auto insurance coverage, the insurer may not reinstate the cancelled policy without the express consent of the insured.
- (3) After cancellation by an insured of auto insurance coverage, the insurer shall refund any funds collected by the insurer to which the insurer is not entitled, calculated according to the terms of the insurance policy, before the later of:
 - (a) 30 days after the request for cancellation; or
 - (b) 30 days after the effective date of the cancellation.
- (4) The commissioner may order an insurer who violates this section to forfeit to the state not more than \$2,500 for each violation.

Enacted by Chapter 125, 2016 General Session