



House of Representatives *State of Utah*

UTAH STATE CAPITOL COMPLEX • 350 STATE CAPITOL
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February 12, 2015

Mr. Speaker:

The Business and Labor Committee reports a favorable recommendation on **H.B. 76**, INSURANCE CANCELLATION AND NONRENEWAL AMENDMENTS, by Representative J. Andregg, with the following amendments:

1. *Page 4, Lines 97 through 107:*

- 97 (ii) not more than 45 nor less than 14 days [~~prior to~~] before the due date of the
renewal
- 98 premium, the insurer delivers or sends by first-class mail a notice to the policyholder at
the
- 99 policyholder's last-known address, clearly stating:
- 100 (A) the renewal premium;
- 101 (B) how the renewal premium may be paid, including the due date for payment of
the
- 102 renewal premium; [~~and~~]
- 103 (C) that failure to pay the renewal premium [~~by the due date~~] extinguishes the
104 policyholder's right to renewal; and
- 105 (D) subject to Subsection (4)(e), that the extinguishment of the right to renew
for nonpayment of premium is
- 106 effective no sooner than at least 10 days after delivery or first class mailing of a
written notice to the
- 107 policyholder that the policyholder has failed to pay the premium when due;

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2. Page 4, Line 116:

116 (d) Failure to renew under this Subsection (4) is subject to Subsection (5).

(e)(i) During the period that begins when the notice described in Subsection (4)(b)(ii)(D) is delivered or mailed and ends when the premium is paid, coverage exists and premiums are due.

(ii) If after receiving the notice required by Subsection (4)(b)(ii)(D) a policyholder fails to pay the renewal premium, the coverage is extinguished as of the date the renewal premium is originally due.

(iii) Delivery of the notice required by Subsection (4)(b)(ii)(D) includes electronic delivery in accordance with Section 31A-21-316.

(iv) An insurer is not subject to Subsection (4)(b)(ii)(D) if it provides notice of the extinguishment of the right to renew for failure to pay premium at least 15 days, but no longer than 45 days, before the day the renewal payment is due.

(v) Subsection (4)(b)(ii)(D) does not apply to a policy that provides coverage for 30 days or less.

Respectfully,

Val L. Peterson
Committee Chair

Voting: 7-0-7

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