# H.B. 76
# INSURANCE CANCELLATION AND NONRENEWAL AMENDMENTS

Representative **Jacob L. Anderegg** proposes the following amendments:

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

    97        (ii)  not more than 45 nor less than 14 days [~~prior to~~] <u>before</u> 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<u>, including the due date for payment of the</u>

    102   <u>renewal premium</u>; [~~and~~]

    103       (C)  that failure to pay the renewal premium [~~by the due date~~] extinguishes the

    104    policyholder's right to renewal; <u>and</u>

    105       <u>(D)</u>    **subject to Subsection (4)(e),**    <u>that the extinguishment of the right to renew for nonpayment of premium is</u>

    106   <u>effective no sooner than</u>    **at least**    <u>10 days after delivery or first class mailing of a written notice to the</u>

    107   <u>policyholder that the policyholder has failed to pay the premium when due;</u>

2.  *Page 4, Line 116:*

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

    **<u>(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.</u>**
    **<u>(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.</u>**
    **<u>(iii) Delivery of the notice required by Subsection (4)(b)(ii)(D) includes electronic delivery in accordance with Section 31A-21-316.</u>**
    **<u>(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 10 days, but no longer than 30 days, before the day the renewal payment is due.</u>**
    **<u>(v) Subsection (4)(b)(ii)(D) does not apply to a policy that provides coverage for 30 days or less.</u>**