

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1196

S. P. 392

In Senate, March 14, 1979

On Motion of Senator Katz of Kennebec, referred to the Committee on Business Legislation. Sent down for concurrence and ordered printed.

Presented by Senator Chapman of Sagadahoc.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

**AN ACT Concerning the Reason for Nonrenewal of Policies Under the Maine
Property Insurance Cancellation Control Act.**

Be it enacted by the People of the State of Maine, as follows:

24-A MRSA § 3051, 2nd ¶ as repealed and replaced by PL 1977, c. 414, § 5, is amended by adding at the end a new sentence to read:

The reason for nonrenewal shall be a good faith reason rationally related to the insurability of the property.

STATEMENT OF FACT

This added language will provide statutory support for the kind of equitable judgment that the bureau is already making in regard to disputed nonrenewals.