

# MAINE STATE LEGISLATURE

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# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 893

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S.P. 314

In Senate, March 7, 2013

### An Act To Protect Life Insurance Policyholders

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

A handwritten signature in black ink, appearing to read "D M Grant".

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator VALENTINO of York.  
Cosponsored by Senators: BOYLE of Cumberland, GRATWICK of Penobscot, LACHOWICZ of Kennebec.

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

2 **Sec. 1. 24-A MRSA §2556, sub-§1**, as enacted by PL 2007, c. 40, §1, is amended  
3 to read:

4 **1. Notice to 3rd party.** An individual life insurance policy that has been in force for  
5 at least one year may not be terminated for nonpayment of premium unless, at least 21  
6 days prior to the expiration of the grace period, the insurer has mailed a notice of  
7 cancellation to the policyholder and any 3rd party designated by the policyholder by  
8 registered mail to the name and last known address in writing of the policyholder and any  
9 3rd party designated by the policyholder. The bureau shall adopt rules to implement the  
10 notice requirements under this subsection.

11 **SUMMARY**

12 This bill requires that a notice of cancellation of life insurance be sent by registered  
13 mail to the last known address of the policyholder and any 3rd party designated by the  
14 policyholder.