

HOUSE BILL NO. 604

INTRODUCED BY M. LINDEEN

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT AN INSURER MAY NOT CANCEL OR REFUSE TO RENEW A POLICY INSURING A PRIVATE RESIDENCE SOLELY ON THE BASIS THAT THE INSURED HAS MADE A CLAIM FOR COMPENSATION FOR A LOSS UNDER THE TERMS OF THE POLICY FOR A RISK COVERED BY THE POLICY, INCLUDING A LOSS BECAUSE OF HAIL DAMAGE; AND AMENDING SECTION 33-23-401, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 33-23-401, MCA, is amended to read:

"33-23-401. Written notice required for cancellation or nonrenewal of insurance policies on homes -- when cancellation or nonrenewal prohibited -- penalty. (1) An insurer may not cancel or refuse to renew any policy insuring private residences, including but not limited to fire, hail, homeowner, theft, or liability insurance on any home occupied by the insured as a domicile, without first giving to the insured 45 days' notice in writing, including in the notice a statement of the specific reason or reasons for canceling or not renewing the policy.

(2) An insurer may not cancel or refuse to renew a policy subject to this section solely on the basis that the insured has made a legitimate claim for compensation for a loss under the terms of the policy for a risk covered by the policy.

~~(2)~~(3) Violation of this section is punishable under 33-1-104."

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