



General Assembly

January Session, 2005

**Committee Bill No. 31**

LCO No. 3093

\*03093SB00031INS\*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT PROHIBITING PROPERTY AND CASUALTY INSURERS FROM CANCELING OR REFUSING TO RENEW POLICIES FOR FAILURE TO PAY LATE FEES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2005*) No insurer that issues a  
2 policy for personal risk insurance, as defined in section 38a-663 of the  
3 general statutes, may cancel or refuse to renew such policy solely on  
4 the basis of the insured's failure to pay a late fee, provided the policy  
5 premium or required installment payment is paid when due or during  
6 any applicable grace period.

This act shall take effect as follows and shall amend the following sections:

|           |                        |             |
|-----------|------------------------|-------------|
| Section 1 | <i>October 1, 2005</i> | New section |
|-----------|------------------------|-------------|

**Statement of Purpose:**

To limit the ability of insurers to cancel or refuse to renew homeowners, tenant and automobile insurance policies for failure to pay late fees so long as the premium or required installment payment is paid when due.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: SEN. CRISCO, 17th Dist.