

Joshua and Jeremy Colyer v. Vermont Mutual Insurance Company

Held: April 17, 2024
Decision Issued: May 3, 2024
Docket Number: INS-24-2025

The named insureds requested a hearing to contest the nonrenewal of their homeowners policy. The company cited the insureds' failure to timely comply with loss control recommendations as the basis for its nonrenewal action.

Held: For the insureds. Under section 3051 of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3051, an insurer may nonrenew a policy of property insurance for any reason that aligns with a permissible ground for cancellation set out in section 3049 of the Act. Section 3049(10) provides that an insurer may cancel a policy for an insured's "failure to comply with reasonable loss control recommendations within 90 days after notice from the insurer." 24-A M.R.S. §3049(10). The company failed to meet its burden of proving that it properly communicated loss control recommendations for the covered property to the insureds. Accordingly, the company's nonrenewal action is not permissible.