

Joseph and Tricia Foley v. Teachers Insurance Company

Held: May 29, 2024
Decision Issued: June 28, 2024
Docket Number: INS-24-2037

The named insureds requested a hearing to contest the nonrenewal of their homeowners policy. The company asserted that nonrenewal was appropriate because two separate and unrelated loss events had occurred on the covered property during the preceding one-year period.

Held: For the insured. Under Section 3051 of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3051, nonrenewal of a homeowners policy is permissible if the underlying reason is a good faith reason and related to the insurability of the property. The company failed to meet its burden of establishing that the statement of the reason contained in the notice it communicated to the insureds was adequately explicit and specific to satisfy the statutory content requirement. Accordingly, the nonrenewal action is not permitted.