

LEGISLATIVE BILL 1184

Approved by the Governor April 16, 1986

Introduced by Haberman, 44

AN ACT relating to insurance; to amend section 44-379, Reissue Revised Statutes of Nebraska, 1943; to provide conditions for cancellation of policies; and to repeal the original section.
Be it enacted by the people of the State of Nebraska,

Section 1. That section 44-379, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

44-379. (1) The Department of Insurance shall not approve any insurance policy filed for approval ~~therewith with the department~~, as required by Chapter 44, article 3, which insures against loss or damage to property or against legal liability from any cause unless such policy contains an appropriate provision for cancellation thereof by either the insurer or the insured.

(2) On any policy of fire marine or liability insurance, as defined in section 44-201, the insurer shall give the insured sixty days written notice prior to cancellation or nonrenewal of such policy, except that the insurer may cancel upon ten days written notice to the insured in the event of nonpayment of premium. Such notice shall state the reason for cancellation or nonrenewal.

(3) Notwithstanding subsection (2) of this section, no policy of fire marine or liability insurance, as defined in section 44-201, which has been in effect for sixty days shall be canceled by the insurer except for one of the following reasons:

(a) Nonpayment of premium;

(b) The policy was obtained through a material misrepresentation;

(c) Any insured violating any of the terms and conditions of the policy;

(d) The risk originally accepted has substantially increased;

(e) Certification to the Director of Insurance of loss of reinsurance by the insurer which provided coverage to the insurer for all or a substantial part of the underlying risk insured; or

(f) The determination by the director that the

continuation of the policy could place the insurer in violation of the insurance laws of this state.

(4) The requirements of subsections (2) and (3) of this section shall not apply to automobile insurance coverage.

(5) Policy forms filed with the Department of Insurance on and after the effective date of this act shall conform to this section, and all policy forms issued for delivery in Nebraska shall conform to this section no later than January 1, 1987.

Sec. 2. That original section 44-379, Reissue Revised Statutes of Nebraska, 1943, is repealed.