

***James & Brenda Wilson v. Concord General Mutual Insurance Company***

Held February 26, 2015 – Docket No. INS-15-2018

Decision Issued: March 27, 2015

The named insured requested a hearing to contest the nonrenewal of a homeowners policy because of the condition of the front roof of the dwelling. The record establishes that the reason is not in good faith due to the company's handling of the earlier loss control recommendations.

***Held:*** For the insured. 24-A M.R.S. § 3051 permits nonrenewal of this type of policy if the reason is in good faith and related to the insurability of the property. The company had issued several loss control recommendations in June 2014 including a requirement to replace the back roof of the dwelling rather than the entire roof – an error by the company. 53 days later, the company issued a cancellation notice for failure to comply with the recommendations. The company reinstated the policy upon receipt of evidence that the recommendations were completed within the statutory 90 day period. The company then informed the agent that the policy would not be renewed unless the rest of the roof was replaced. The company's denial of the insured's request for additional time and a higher deductible was not conveyed to the insured. Although the condition of the front of the roof may affect the insurability of the property, the reason is not in good faith under the circumstances and the nonrenewal action is therefore not permitted by the Maine Property Insurance Cancellation Control Act.