

Linda Hackett and James Hackett v. Union Mutual Fire Insurance Company

Held July 8, 2015 – Docket No. INS-15-2077

Decision Issued: July 22, 2015

The named insured requested a hearing to contest the nonrenewal of a homeowners policy that alleged the property was located on an island that is not accessible year round. The company failed to demonstrate grounds for nonrenewal.

Held: For the insured. 24-A M.R.S. § 3051 permits nonrenewal for a reason that is in good faith and related to the insurability of the property, and also requires the reason or reasons to be explicit. The evidence showed that the island is accessible daily by ferry on a year round basis. The company raised the issue of lack of fire protection and lack of accessibility increasing the risk of a total fire loss, but that reason was not considered as it was not conveyed in the notice of nonrenewal.