

John and Patricia Bond v. Concord General Mutual Insurance Company

Held: December 7, 2022
Decision Issued: December 14, 2022
Docket Number: INS-22-2041

The named insureds requested a hearing to contest the nonrenewal of a homeowners policy. The company asserted that policy was not eligible for renewal because the covered property was no longer owner-occupied.

Held: For the company. 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 met its burden of proof by demonstrating that the insureds terminated occupancy of the covered dwelling during the policy term and that owner-occupancy is a necessary condition for the issuance and/or renewal of a homeowners policy. Accordingly, the nonrenewal action is permitted.