

HOUSE RESEARCH

Bill Summary

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Subject: Combination auto/homeowners/umbrella policies

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Overview

This bill involves combination auto, homeowner's, and umbrella insurance policies designed by insurers to replace separate policies. The bill regulates the transition to those policies.

Section

- 1** **Transition to combination policies.** (a) Provides that this bill applies to situations in which insurers are replacing their conventional separate auto and homeowner policies with a combination policy that will combine auto, homeowner, and other coverages into a single policy.

(b) Prohibits an insurer from canceling an existing auto or homeowner's policy before its scheduled renewal date, in order to switch the customer to a new combination policy.

(c) Prohibits an insurer from failing to renew an existing auto or homeowner's policy, due to the insurer's desire to eliminate the separate policies, unless the insurer has first offered the new combination policy to the insured. The effective date on the combination policy offered must not be later than the renewal date of the existing policy.
- 2** **Effective date.** Immediate effective date.