

CHAPTER 217
FORMERLY
HOUSE BILL NO. 140
AS AMENDED BY
SENATE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO THE CANCELLATION OR NONRENEWAL OF AN AUTOMOBILE INSURANCE POLICY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE :

Section 1. Amend § 3903, Title 18 of the Delaware Code by redesignating subsection (c) as subsection (d), and by adding to § 3903 a new subsection (c) to read:

“(c)(1) Notwithstanding § 3911 of this chapter, the transfer of a policyholder between authorized insurers within the same insurance group is not a cancellation or nonrenewal if the policyholder's premium does not increase and the policyholder does not experience a reduction in coverage. A policyholder so transferred must be provided with written notice of the transfer.

(2) A transfer under this subsection shall be treated as a renewal for purposes of the use of credit information pursuant to Chapter 83 of this Title.

(3) The notice required under this subsection shall be made no less than 20 days before the effective date of the proposed transfer. The notice may be a part of a renewal form sent to the policyholder renewing the coverage by the new insurer.”.

Approved January 27, 2010