

SECOND REGULAR SESSION

HOUSE BILL NO. 1972

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WIEMANN.

5754H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 379.1545, RSMo, and to enact in lieu thereof one new section relating to portable electronics insurance.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 379.1545, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 379.1545, to read as follows:

379.1545. Notwithstanding any other provision of law:

(1) An insurer may terminate or otherwise change the terms and conditions of a policy of portable electronics insurance only upon providing the policyholder and enrolled customers with at least thirty days' notice;

(2) If the insurer changes the terms and conditions of a policy of portable electronics insurance, the insurer shall provide the vendor and any policyholders with a revised policy or endorsement and each enrolled customer with a revised certificate, endorsement, updated brochure, or other evidence indicating a change in the terms and conditions has occurred and a summary of material changes;

(3) Notwithstanding subdivision (1) of this section, an insurer may terminate an enrolled customer's enrollment under a portable electronics insurance policy upon fifteen days' notice for discovery of fraud or material misrepresentation in obtaining coverage or in the presentation of a claim thereunder;

(4) Notwithstanding subdivision (1) of this section, an insurer may immediately terminate an enrolled customer's enrollment under a portable electronics insurance policy:

(a) For nonpayment of premium;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (b) If the enrolled customer ceases to have an active service with the vendor of portable
18 electronics; or

19 (c) If an enrolled customer exhausts the aggregate limit of liability, if any, under the
20 terms of the portable electronics insurance policy and the insurer sends notice of termination to
21 the customer within thirty calendar days after exhaustion of the limit. However, if the notice is
22 not timely sent, enrollment and coverage shall continue notwithstanding the aggregate limit of
23 liability until the insurer sends notice of termination to the enrolled customer;

24 (5) Where a portable electronics insurance policy is terminated by a policyholder, the
25 policyholder shall mail or deliver written notice to each enrolled customer advising the customer
26 of the termination of the policy and the effective date of termination. The written notice shall
27 be mailed or delivered to the customer at least thirty days prior to the termination;

28 (6) Whenever notice is required under this section, it shall be in writing and may be
29 mailed or delivered to the vendor at the vendor's mailing address and to its affected enrolled
30 customers' last known mailing addresses on file with the insurer. If notice is mailed, the insurer
31 or vendor, as the case may be, shall maintain proof of mailing in a form authorized or accepted
32 by the U.S. Postal Service or other commercial mail delivery service. Alternatively, an insurer
33 or vendor policyholder may comply with any notice required by this section by providing
34 electronic notice to a vendor or its affected enrolled customers, as the case may be, by electronic
35 means. **For purposes of this subdivision, agreement to receive notices and correspondence**
36 **by electronic means shall be determined in accordance with section 432.220.** Additionally,
37 if an insurer or vendor policyholder provides electronic notice to an affected enrolled customer
38 and such delivery by electronic means is not available or is undeliverable, the insurer or vendor
39 policyholder shall provide written notice to the enrolled customer by mail in accordance with this
40 section. If notice is accomplished through electronic means, the insurer or vendor of portable
41 electronics, as the case may be, shall maintain proof that the notice was sent.

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