

40-277. Automobile liability insurance policies; limitations on policy conditions for cancellation.

No insurance company shall issue a policy of automobile liability insurance in this state unless the cancellation condition of the policy or endorsement thereon includes the following limitations pertaining to cancellation by the insurance company:

After this policy has been in effect for 60 days, or if the policy is a renewal, effective immediately, the company shall not exercise its right to cancel the insurance afforded under (here insert the appropriate coverage references) solely because of age or unless

1. The named insured fails to discharge when due any obligations in connection with the payment of premium for this policy or any installment thereof whether payable directly or under any premium finance plan; or
2. the insurance was obtained through fraudulent misrepresentation; or
3. the insured violates any of the terms and conditions of the policy; or
4. the named insured or any other operator, either resident in the same household, or who customarily operates an automobile insured under the policy,
 - (a) has had such person's driver's license suspended or revoked during the policy period, or
 - (b) is or becomes subject to epilepsy or heart attacks, and such individual cannot produce a certificate from a physician testifying to such person's ability to operate a motor vehicle, or
 - (c) is or has been convicted during the 36 months immediately preceding the effective date of the policy or during the policy period, for:
 - (1) Any felony, or
 - (2) criminal negligence, resulting in death, homicide or assault, arising out of the operation of a motor vehicle, or
 - (3) operating a motor vehicle while in an intoxicated condition or while under the influence of drugs, or
 - (4) leaving the scene of an accident without stopping to report, or
 - (5) theft of a motor vehicle, or
 - (6) making false statements in an application for a driver's license, or
 - (7) a third moving violation, committed within a period of 18 months, of (i) any regulation limiting the speed of motor vehicles, (ii) any of the provisions in the motor vehicle laws of any state, the violation of which constitutes a misdemeanor or traffic infraction, or (iii) any ordinance traffic infraction, or ordinance which prohibits the same acts as a misdemeanor statute of the uniform act regulating traffic on highways, whether or not the violations were repetitious of the same offense or were different offenses.

History: L. 1967, ch. 271, § 2; L. 1984, ch. 39, § 47; Jan. 1, 1985.