

SENATE No. 650

The Commonwealth of Massachusetts

PRESENTED BY:

Anne M. Gobi

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to notifying broker prior to termination of coverage.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Anne M. Gobi</i>	<i>Worcester and Hampshire</i>	
<i>Michael O. Moore</i>	<i>Second Worcester</i>	<i>3/30/2023</i>
<i>David F. DeCoste</i>	<i>5th Plymouth</i>	<i>4/6/2023</i>
<i>Brian W. Murray</i>	<i>10th Worcester</i>	<i>4/10/2023</i>
<i>Christopher Richard Flanagan</i>	<i>1st Barnstable</i>	<i>4/26/2023</i>

SENATE No. 650

By Ms. Gobi, a petition (accompanied by bill, Senate, No. 650) of Anne M. Gobi for legislation relative to notify broker prior to termination of coverage. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act relative to notifying broker prior to termination of coverage.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 175 of the General Laws is hereby amended by adding the following new
2 section:-

3 (x)If the policy owner of a life, disability or long term care insurance policy has an agent
4 of record, the insurer must also notify the agent of the impending lapse in coverage or mail or
5 send electronically a copy of the notification of the impending lapse in coverage) to the agent at
6 least 21 days before the effective date of any such lapse. Receipt of such notice does not make
7 the agent responsible for any lapse in coverage. An insurer is not required to notify the agent
8 under this section if any of the following applies:

9 (a)The insurer maintains an online system that pushes out a notice of pending lapse to the
10 broker of record to independently determine if a policy is about to lapse.

11 (b)The insurer maintains a procedure that pushes out a notice that allows an agent to
12 independently determine whether the notice of lapse has been sent to the insured.

- 13 (c)The insurer has no record of the current agent of record.
- 14 (d)The agent is employed by the insurer or an affiliate of the insurer.