

Know Your Rights- Homeowners Insurance

If an insurance company refuses to issue a homeowners policy or cancels or non-renews your policy, Virginia law requires that the company tell you the reason why. If you are refused insurance, make the request for the reasons. If you are denied insurance based on incorrect information, the company is required to allow you to copy its file concerning you and to correct any incorrect information that the file may contain.

However, you may not be refused insurance solely because of your age, sex, residence, race, color, creed, national origin, ancestry, marital status or lawful occupation, including the military service. Also, you may not be refused insurance:

- solely because of the age of your home;
- because you were denied insurance by another company; or
- because you purchased insurance through the Virginia Property Insurance Association.

Also, you should know that Virginia law prevents an insurance company from canceling your owner-occupied homeowners policy after the first 90 days except for specific reasons. This cancellation law applies to your homeowners policy only if you own your own home; it does not apply to renters policies.

The specific reasons for canceling your owner-occupied policy after the first 90 days are:

- failure to pay the premium for the policy when due;
- conviction of a crime arising out of acts increasing the hazard insured against;
- discovery of fraud or material misrepresentation;
- willful or reckless acts or omissions increasing the hazard insured against as determined from a physical inspection of the insured premises; or
- physical changes in the property that result in the property becoming uninsurable as determined from a physical inspection of the insured premises.

An insurance company is allowed to non-renew your homeowners policy at the end of a term for any reason if you are given 30 days written notice prior to the expiration date of your policy. However, the company may not refuse to renew your policy solely because of your age, sex, residence, race, color, creed, national origin, ancestry, marital status or lawful occupation, including the military service. Nor may the company non-renew your policy solely because of any claim resulting primarily from natural causes.

An insurance company that intends to cancel or non-renew your homeowners policy must give you notice in writing stating the termination date and the reason for termination. The notice must also tell you that you have a right to appeal to the Insurance Commissioner and that you might be eligible for insurance through the Virginia Property Insurance Association.

The cancellation and non-renewal laws do not apply to renters insurance. Check your renters policy or the applicable termination provisions of call your agent or company if you have any questions.