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DEPARTMENT OF LAW  
OFFICE OF THE  
**Attorney General**  
STATE CAPITOL  
Phoenix, Arizona 85007

JOHN A. LASOTA, JR.  
ATTORNEY GENERAL

November 29, 1978

Mr. J. N. Trimble, CPCU  
Director of Insurance  
1601 West Jefferson  
Phoenix, Arizona 85007

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**ARIZONA ATTORNEY GENERAL**

Re: I78-268 (R78-98)

Dear Director Trimble:

On April 4, 1978, you wrote seeking our legal opinion of the proper interpretation of A.R.S. §§ 20-1652 and 20-1653. Essentially, you ask whether an insurer may refuse to renew certain kinds of property and liability insurance coverages without first notifying its insured that the basis for its action is one of the statutory grounds for cancellation set forth in A.R.S. § 20-1652. The question really becomes whether a notice of nonrenewal must include a statement of the grounds for cancellation which, by virtue of A.R.S. § 20-1652, a notice of cancellation must set forth.

Your inquiry obviously was prompted by the rather inartfully drawn language of A.R.S. § 20-1653.<sup>1</sup> We note that the Legislature during its last regular session enacted Laws 1978, Ch. 175, 2, which amended A.R.S. § 20-1653. That law now provides:

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<sup>1</sup> At the time of your opinion request, A.R.S. § 20-1653 read as follows:

§ 20-1653. Mailing of notice of cancellation or nonrenewal to insured; statement of grounds and facts on which cancellation or nonrenewal is based

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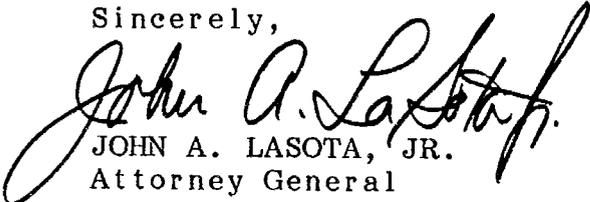
All notices of cancellation or nonrenewal shall be in writing, mailed to the named insured at the address shown in the policy or to the last known address of the insured and shall state, with respect to cancellation of policies in effect after the time limits specified in § 20-1652 and, in the case of nonrenewal of policies as specified in § 20-1654:

1. In the case of cancellation which of the grounds set forth in § 20-1652 is relied upon.

2. With respect to cancellation and nonrenewal that, upon written request of the named insured, the insurer shall furnish the facts on which the cancellation or nonrenewal is based. (Emphasis added).

From the foregoing language addition, the Legislature has clearly resolved the dilemma. Notices of nonrenewal need not include a statement of the grounds, contained in § 20-1652, that otherwise must be included in a notice of cancellation.

Sincerely,

  
JOHN A. LASOTA, JR.  
Attorney General

(Footnote continued)

All notices of cancellation or nonrenewal shall be in writing, mailed to the named insured at the address shown in the policy or to the last known address of the insured and shall state, with respect to cancellation of policies in effect after the time limits specified in § 20-1652 and, in the case of nonrenewal of policies as specified in § 20-1654:

1. Which of the grounds set forth in § 20-1652 is relied upon.

2. That, upon written request of the named insured, the insurer shall furnish the facts on which the cancellation or nonrenewal is based.