



Senate

General Assembly

File No. 139

February Session, 2004

Substitute Senate Bill No. 479

Senate, March 18, 2004

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING PROPERTY CASUALTY INSURANCE LOSS CONTAINMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2004*) No property repair
2 contract between a person and an insured shall be valid or enforceable
3 against the insured unless it: (1) Is in writing, (2) is signed by the
4 person and the insured or the insured's designee, (3) contains the
5 entire agreement between the person and the insured, including, but
6 not limited to, the total price, (4) contains the date of the transaction,
7 (5) contains the name and address of the person, (6) contains a starting
8 date, and (7) is provided to the insured prior to any work being done.
9 As used in this section, "property repair contract" means a contract
10 entered into pursuant to a loss under a personal risk insurance policy,
11 as defined in section 38a-663 of the general statutes, or a commercial
12 risk policy, as defined in section 38a-663 of the general statutes, for any
13 repair, remediation or other service pursuant to a claim under the
14 policy, except for (A) any repair of an automobile that is subject to

15 chapter 700 of the general statutes, or (B) any repair that is subject to
16 chapter 400 of the general statutes.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>

INS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Insurance Dept.; Consumer Protection, Dept.	Various - None	None	None

Municipal Impact: None

Explanation

The bill establishes conditions under which a property repair contract is valid and enforceable against an insured that filed a claim for loss under a personal risk or commercial property casualty insurance policy. The bill has no fiscal impact.

OLR Bill Analysis

sSB 479

**AN ACT CONCERNING PROPERTY CASUALTY INSURANCE
LOSS CONTAINMENT****SUMMARY:**

This bill prevents a property repair contract from being valid and enforceable against an insured who files a claim for loss under a personal risk or commercial property casualty insurance policy unless the contract (1) is in writing; (2) is signed by the repairer and the insured or the insured's designee; (3) contains the entire agreement, including the total price; (4) contains the transaction date; (5) contains the name and address of the repairer; (6) contains a starting date; and (7) is provided to the insured before the repair work begins. The bill does not apply to (1) repairs made to cars that are covered by an automobile liability policy or (2) repairs performed by registered home improvement contractors in accordance with applicable law.

EFFECTIVE DATE: October 1, 2004

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 14 Nay 3