



General Assembly

January Session, 2011

**Raised Bill No. 6233**

LCO No. 2418

\*02418 \_\_\_\_\_ INS\*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT REQUIRING NOTICE TO AN INSURED FOR REPAIR OR  
REMEDiation FOLLOWING A COVERED LOSS UNDER A  
PERSONAL OR COMMERCIAL RISK POLICY.**

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

1 Section 1. Section 38a-313a of the general statutes is repealed and  
2 the following is substituted in lieu thereof (*Effective October 1, 2011*):

3 (a) Prior to commencing any repair or remediation pursuant to a  
4 loss covered under a personal risk insurance policy, as defined in  
5 section 38a-663, or a commercial risk policy, as defined in section 38a-  
6 663, the person who will perform the repair or remediation shall  
7 provide the insured with a written notice that indicates the scope of  
8 the work to be completed and the estimated total price. Such notice  
9 shall not be required for (1) any repair of an automobile that is subject  
10 to this chapter, or (2) any repair that is subject to chapter 400.

11 (b) No contract or authorization signed by the insured for such  
12 repair or remediation shall be valid or enforceable unless the written  
13 notice required as set forth in subsection (a) of this section (1) is signed  
14 by the insured and includes the scope of the work to be completed and

15 the estimated total price, and (2) a copy of such signed notice is  
16 attached to such contract or authorization.

17 (c) No insurer shall authorize a direct payment to a person  
18 performing such repair or remediation unless and until such insurer  
19 has confirmed with the insured that the written notice required under  
20 subsection (a) of this section has been provided to the insured.

21 (d) As used in this section, "remediation" includes, but is not limited  
22 to, cleaning services.

23 Sec. 2. (NEW) (*Effective October 1, 2011*) Each insurance policy that  
24 provides coverage under a personal risk insurance policy, as defined in  
25 section 38a-663 of the general statutes, or a commercial risk policy, as  
26 defined in said section 38a-663, for repair or remediation following a  
27 covered loss shall bear on the declaration page, in not less than twelve-  
28 point boldface type in capital letters, the following:

29 NOTICE

30 YOU HAVE THE RIGHT TO CHOOSE THE PERSON OR  
31 COMPANY WHO WILL PERFORM THE REPAIR OR  
32 REMEDIATION WORK ON YOUR PROPERTY FOLLOWING A  
33 COVERED LOSS.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	38a-313a
Sec. 2	<i>October 1, 2011</i>	New section

**Statement of Purpose:**

To require the written notice provided to an insured for repair or remediation work to be signed by the insured and the insurer to confirm that the insured received such notice prior to authorizing a direct payment to the person performing the repair or remediation work; and to require insurers to include a statement on the policy

declaration page informing the insured of such insured's right to choose the person who will perform the repair or remediation work.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*