



General Assembly

**Substitute Bill No. 6237**

January Session, 2011

\*        HB06237INS        022311        \*

**AN ACT CONCERNING INSURANCE REQUIRED UNDER THE  
COMMON INTEREST OWNERSHIP ACT.**

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

1       Section 1. Subsection (a) of section 47-255 of the general statutes is  
2       repealed and the following is substituted in lieu thereof (*Effective*  
3       *October 1, 2011*):

4       (a) (1) Commencing not later than the time of the first conveyance of  
5       a unit to a person other than a declarant, the association shall maintain,  
6       to the extent reasonably available and subject to reasonable  
7       deductibles: ~~[(1)]~~ (A) Property insurance on the common elements and,  
8       in a planned community, also on property that must become common  
9       elements, insuring against those risks of direct physical loss commonly  
10      insured against, which insurance, after application of any deductibles  
11      shall be not less than eighty per cent of the actual cash value of the  
12      insured property at the time the insurance is purchased and at each  
13      renewal date, exclusive of land, excavations, foundations and other  
14      items normally excluded from property policies; ~~[(2)]~~ (B) flood  
15      insurance in the event the condominium is located in a flood hazard  
16      area, as defined and determined by the National Flood Insurance Act,  
17      as amended, USC 42 Section 4101, P.L. 93-234, and the unit owners by  
18      vote direct; ~~[(3)]~~ (C) commercial general liability insurance, including  
19      medical payments insurance, in an amount determined by the

20 executive board but not less than any amount specified in the  
21 declaration, covering all occurrences commonly insured against for  
22 bodily injury and property damage arising out of or in connection with  
23 the use, ownership or maintenance of the common elements and, in  
24 cooperatives, also of all units; and [(4)] (D) fidelity insurance.

25 (2) If a community association manager, as defined in section 20-  
26 450, procures on behalf of an association of a common interest  
27 community that contains only units restricted to residential use any  
28 insurance policy required to be maintained under this subsection, such  
29 manager shall obtain every two years, prior to the renewal of such  
30 policy, rate quotes for such policy from at least two different insurance  
31 agencies. Such manager shall provide such quotes to the executive  
32 board of the association.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2011	47-255(a)

**INS**      *Joint Favorable Subst.*