
OLR Bill Analysis

sHB 6233 (as amended by House "A" and "B")*

AN ACT CONCERNING PAYMENT FOR REPAIR OR REMEDIATION FOLLOWING A COVERED LOSS UNDER A PERSONAL OR COMMERCIAL RISK POLICY.

SUMMARY:

By law, a person who will perform repair or remediation work relating to a claim under a personal or commercial risk insurance policy must give the insured, before any work begins, written notice of the work to be completed and the estimated total price. This bill applies this requirement to losses occurring on or after October 1, 2011. (By law, the notice requirement does not apply to repairs (1) made to vehicles covered by an automobile liability insurance policy or (2) performed by registered home improvement contractors.)

The bill specifies that if the person performing the repair or remediation work does not provide the required written notice, any contract between the person and the insured for the work is void.

*House Amendment "A" applies current law to losses occurring on or after October 1, 2011.

*House Amendment "B" specifies that if the person performing the repair or remediation work does not provide the required written notice, any contract between the person and the insured for the work is void. It eliminates a provision in the original bill (File 22) that if the written notice is deficient, any contract or authorization the insured signed for repair or remediation work is invalid and unenforceable. It also eliminates a provision that an insurer confirm with the insured that he or she received the required written notice before the insurer approves payment to the person performing the repair or remediation work.

EFFECTIVE DATE: October 1, 2011

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 19 Nay 0 (02/10/2011)