



General Assembly

**Substitute Bill No. 6380**

January Session, 2013



**AN ACT CONCERNING PROPERTY AND CASUALTY INSURANCE POLICIES.**

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

1 Section 1. (NEW) (*Effective October 1, 2013*) (a) When a covered loss  
2 for real property requires the replacement of an item or items and the  
3 replacement item or items do not match adjacent items in quality, color  
4 or size, the insurer shall replace all such items so as to conform to a  
5 reasonably uniform appearance. This provision shall apply to interior  
6 and exterior covered losses. The insured shall not bear any cost over  
7 the applicable deductible, if any, for such replacement.

8 (b) Nothing in this subsection shall be construed to impose liability  
9 on an insurer as a warrantor of any work performed pursuant to this  
10 subsection.

11 (c) Nothing in this subsection shall be construed to authorize or  
12 preclude enforcement of policy provisions relating to settlement  
13 disputes.

14 Sec. 2. (NEW) (*Effective October 1, 2013*) (a) The declination,  
15 cancellation or nonrenewal of a homeowners insurance policy is  
16 prohibited if the declination, cancellation or nonrenewal is based solely  
17 on a loss incurred as a result of a catastrophic event. For the purposes  
18 of this section, an insurer shall not be deemed to have declined,

19 cancelled or nonrenewed a policy if coverage is available through an  
20 affiliated insurer.

21 (b) The declination or nonrenewal of a homeowners insurance  
22 policy, the addition of a surcharge or any increase in the premium of  
23 such policy is prohibited if the declination, nonrenewal, surcharge or  
24 increase is based solely on any claim filed on the covered property  
25 while such property was owned by anyone other than the current  
26 applicant or insured, unless the risk from which such claim originated  
27 has not been mitigated.

28 (c) The cancellation or nonrenewal of a homeowners insurance  
29 policy or an increase in the premium of such policy is prohibited if the  
30 cancellation, nonrenewal or increase is based solely on inquiries made  
31 on such policy or a claim filed under such policy that resulted in a loss  
32 coverage payment by the insurer of less than five hundred dollars or in  
33 no loss coverage payment. Such prohibition shall not apply if the  
34 insured filed more than one claim resulting from a noncatastrophic  
35 event in the three policy years immediately preceding that resulted in  
36 any loss coverage payment by the insurer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	New section
Sec. 2	<i>October 1, 2013</i>	New section

**INS**      *Joint Favorable Subst.*