



OLR RESEARCH REPORT

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2013 STORM-RELATED ACTS

By: Janet L. Kaminski Leduc, Senior Legislative Attorney
Kristen L. Miller, Legislative Analyst II

This report provides highlights of acts the Connecticut legislature passed in 2013 related to preparedness for and responses to major storms. It does not include all provisions of each act. Complete summaries of all 2013 public acts are available on OLR's webpage: <http://www.cga.ct.gov/olr/olrpasums.asp>.

Readers are encouraged to obtain the full text of acts that interest them from the Connecticut State Library, the House Clerk's Office, or the General Assembly's website: <http://www.cga.state.ct.us/default.asp>.

SUMMARY

In 2013, the Connecticut legislature passed at least eight acts in response to recent major storm activity, including:

1. [Special Act \(SA\) 13-9](#), *An Act Concerning Climate Change Adaption and Data Collection*;
2. [Public Act \(PA\) 13-15](#), *An Act Concerning Sea Level Rise and the Funding of Projects by the Clean Water Fund*;
3. [PA 13-138](#), *An Act Concerning Property and Casualty Insurance Policies and Public Adjuster Contracts*;

4. [PA 13-148](#), *An Act Establishing a Mediation Program for Certain Insurance Policy Claims and Concerning Requirements for Persons Performing Repairs, Remediation or Mitigation Pursuant to a Loss*;
5. [PA 13-175](#), *An Act Prohibiting Price Gouging During Severe Weather Events*;
6. [PA 13-179](#), *An Act Concerning the Permitting of Certain Coastal Structures by the Department of Energy and Environmental Protection*;
7. [PA 13-275](#), *An Act Concerning Coordinated Long-Term Disaster Relief and Recovery*; and
8. [PA 13-298](#), *An Act Concerning Implementation of Connecticut's Comprehensive Energy Strategy and Various Revisions to the Energy Statutes*.

A brief summary of the relevant provisions of each act follows below.

SA 13-9

Connecticut Center for Coasts

This new law requires the Department of Energy and Environmental Protection (DEEP) and UConn to report to the Environment Committee by February 15, 2014 on their joint efforts to establish a Connecticut Center for Coasts. The report must include, among other things:

1. a description of the center's mission;
2. a proposed governing structure;
3. a plan to perform such things as mapping, engineering and impact assessment studies, coastal infrastructure inventory and risk assessment, and providing coastal protection information;
4. a list and description of existing resources that will be used to perform the center's responsibilities; and
5. the funding sources and amounts DEEP and UConn intend to secure or have secured to establish the center.

EFFECTIVE DATE: Upon passage (June 6, 2013)

PA 13-15

Clean Water Fund Projects

This new law expands the factors that the DEEP commissioner must consider when establishing the priority list and ranking system for making clean water fund grants and loans for eligible water quality projects. Specifically, it requires him to consider the necessity and feasibility of implementing measures designed to mitigate sea level rise impact over a project's life span. Under existing law, he must consider, among other things, public health and safety, protecting environmental resources, and attaining state water quality goals and standards. By law, the commissioner makes the grants and loans to municipalities based on the priority list order.

EFFECTIVE DATE: October 1, 2013

PA 13-138

Property and Casualty Insurance Policies

This act prohibits an insurer from declining, cancelling, or failing to renew a homeowners' insurance policy solely due to a loss incurred as a result of a catastrophic event (e.g., a major storm), as declared by a nationally recognized catastrophic loss index provider. It prohibits an insurer from declining or failing to renew a homeowners' insurance policy, adding a surcharge on a claim, or increasing the policy premium if this action is based on any claim filed on the covered property while anyone, other than the current applicant or insured, owned the property, unless the risk from which the claim originated has not been mitigated.

The act prohibits an insurer from (1) cancelling or failing to renew a homeowners' policy or (2) increasing its premium, if this action is based solely on inquiries made on the policy or a claim filed under it that resulted in a payment by the insurer of less than \$500 or in no payment. The prohibition does not apply if the insured filed more than one claim resulting from a non-catastrophic event in the three immediately preceding policy years that resulted in a loss coverage payment by the insurer.

Also under the act, when a loss covered under a policy for real property requires replacing a damaged item that will not match the quality, color, or size of adjacent items, the insurer must replace these items with materials of like kind and quality to provide a reasonably uniform appearance. This requirement applies to both interior and exterior covered losses.

EFFECTIVE DATE: October 1, 2013

PA 13-148

Insurance Mediation Program

This act allows the Insurance Department to establish a program to mediate disputes between insureds and insurance companies to settle certain claims that involve losses from catastrophic events for which the governor has declared a state of emergency. The program must address disputes where the difference between the parties' positions on the actual cash value or amount of the loss is \$5,000 or more, notwithstanding any applicable deductible. The parties may agree to mediate a dispute involving a smaller amount.

The act requires the insurance commissioner to designate an entity to implement the program and specifies the conditions an entity must meet to be designated. The mediation must be conducted in accordance with procedures the entity establishes and the commissioner approves.

Insurers licensed to provide insurance for the affected lines must participate in the program. The insurer must pay a mediation fee to the designated entity within 10 business days after it receives an invoice for the mediation from the entity. It is not responsible for any cost incurred by an insured, including costs for advisors, representatives, attorneys, or public adjusters.

The act allows the commissioner to adopt implementing regulations.

EFFECTIVE DATE: October 1, 2013

PA 13-175

Price Gouging During Weather Emergency

This act extends the bar on excessive price increases (price gouging) to consumer goods and services sold during a severe weather event emergency proclaimed by the governor (weather emergency). By law, price gouging is already barred for (1) products under a civil

preparedness emergency declaration, (2) products and services under a supply emergency declaration, and (3) energy resources during abnormal market disruptions.

Under the act, no distributor or seller can sell or offer to sell consumer goods or services for an “unconscionably excessive price” during a weather emergency. It exempts energy resource (e.g., gasoline) sellers, who are covered under a separate price gouging law. Whether a price is unconscionably excessive is based on several factors, which a defendant may rebut.

A seller who violates the act commits an unfair trade or deceptive practice violation under state law and each day the violation occurs or continues is a separate offense.

EFFECTIVE DATE: Upon passage (June 21, 2013)

PA 13-179

Coastal Management Act and Permitting

This act makes a number of changes to the state’s Coastal Management Act and the laws on conducting certain activities (e.g., building seawalls) in the state’s tidal wetlands and coastal, tidal, or navigable waters. Among other things, it:

1. allows towns and property owners to temporarily fortify property above the coastal jurisdiction line before a hurricane or tropical storm;
2. expands the types of structures and activities that may be eligible for a certificate of permission from DEEP; and
3. allows certain shoreline flood and erosion control structure applicants to request a hearing and an advisory engineering evaluation on the application when DEEP makes a tentative determination to deny it.

The new law also requires the state and towns to consider federal National Oceanic and Atmospheric Administration sea level change scenarios when developing certain plans and programs, such as plans of conservation and development.

EFFECTIVE DATE: Most provisions take effect October 1, 2013

PA 13-275

Emergency Recovery Assistance

This new law establishes the Connecticut Coordinated Assistance and Recovery Endowment (CT CARE) as a federal tax exempt foundation to support coordinated emergency recovery in cases where state services are affected by natural disasters, acts of domestic terrorism, catastrophic events, or other unforeseen emergencies. It also establishes the Coordinated Emergency Recovery Fund, under the state treasurer's custody, to receive and disburse private funds to CT CARE for (1) victims' relief and (2) assistance to individuals, towns, and nonprofit organizations affected by such emergencies.

The new law (1) designates the Department of Emergency Services and Public Protection (DESPP) as the state agency for which the foundation is established and (2) requires the foundation to have a written agreement with DESPP covering its use of DESPP's facilities and resources.

EFFECTIVE DATE: Upon passage (July 11, 2013)

PA 13-298

Utility Tree Trimming

Section 60 of this act expands the ability of electric and telecommunication utilities to trim trees and other vegetation near their lines. It allows these utilities to perform vegetation management in the "utility protection zone" to secure reliable service by protecting wires and other utility infrastructure. The zone is the area extending eight feet horizontally from the outermost line and vertically from the ground to the sky.

The new law modifies the provisions of prior law requiring utilities to notify abutting property owners of tree trimming activities and provides a procedure for the owners to object to the trimming. It eliminates the notice requirement if a tree warden or the transportation commissioner gives the utility written authorization to prune or remove a hazardous tree (1) in the utility protection zone or (2) overhanging a public highway or public ground. A "hazardous tree" is all or part of a tree that (1) is

dead, extensively decayed, or structurally weak and (2) would endanger utility infrastructure, facilities, or equipment if it fell. A utility is also not required to provide notice, or obtain a permit required under existing law, to prune or remove a tree if it directly contacts a live electric line or has visible signs of burning.

EFFECTIVE DATE: July 1, 2013

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