

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 14-74—HB 5248**

*Insurance and Real Estate Committee*

**AN ACT CONCERNING CERTIFICATES OF INSURANCE FOR  
PROPERTY AND CASUALTY INSURANCE COVERAGE**

**SUMMARY:** This act prohibits people from using property and casualty insurance “certificates of insurance” for specified purposes. It defines a “certificate of insurance” as a document or instrument an insurer or insurance producer prepares or issues as evidence that personal or commercial risk insurance has been issued on property, operations, or risks located in Connecticut. A certificate of insurance does not include insurance policies, binders, endorsements, or auto insurance identification cards.

Under the act, no one may:

1. prepare, deliver, or issue a certificate of insurance that includes false or misleading information about the coverage provided in the underlying policy;
2. amend or alter a certificate or deliver or issue a new certificate unless the amendment or certificate accurately reflects the underlying insurance policy;
3. represent that a certificate confers new or additional rights to anyone beyond those covered by the underlying policy;
4. represent that amending a certificate will alter, amend, or extend the coverage provided by the underlying policy;
5. require or request another person to perform any of the acts specified above; or
6. prepare, issue, demand, or require an opinion letter or other correspondence, in addition to or instead of a certificate, that is inconsistent with the act, but the insurer or producer may prepare or issue an addendum to the certificate to explain the coverage provided by the underlying policy.

The act also prohibits a certificate from including a warranty that the underlying policy complies with the insurance or indemnification requirements of a contract. Referring in a certificate to a contract number or description will not be construed to be such a warranty.

The act authorizes the insurance commissioner to investigate anyone he reasonably believes is violating its provisions. By law, a violator is subject to a fine of up to \$15,000 (CGS § 38a-2).

EFFECTIVE DATE: October 1, 2014

OLR Tracking: JLK:JR:VR:am