



General Assembly

Substitute Bill No. 5516

February Session, 2016

* _____HB05516INS____031616_____*

AN ACT CONCERNING THE STANDARD FIRE INSURANCE POLICY.

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

1 Section 1. Section 38a-308 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2016*):

3 (a) (1) No policy or contract of fire insurance shall be made, issued
4 or delivered by any admitted or nonadmitted insurer or any agent or
5 representative thereof, on any property in this state, unless it conforms
6 as to all provisions, stipulations, agreements and conditions with the
7 form of policy set forth in section 38a-307, except that a policy or
8 contract of fire insurance for a commercial property made, issued or
9 delivered by a nonadmitted insurer or any agent or representative
10 thereof may define "depreciation" differently than as set forth in
11 section 38a-307.

12 (2) There shall be printed at the head of such policy the name of the
13 insurer or insurers issuing the policy, the location of the home office
14 thereof, a statement showing whether such insurer or insurers are
15 stock or mutual corporations or are reciprocal insurers or Lloyd's
16 underwriter, provided any company organized under special charter
17 provisions may so indicate upon its policy and may add a statement of
18 the plan under which it operates in this state, and there may be added
19 thereon such device or devices as the insurer or insurers issuing such

20 policy desire. Such policy shall be clearly designated on the back of the
21 form as "The Standard Fire Insurance Policy of the State of
22 Connecticut"; and this designation may include the names of such
23 other states as have adopted this standard form.

24 (3) The standard fire insurance policy provided for in section 38a-
25 307 need not be used for effecting reinsurance between insurers. If the
26 policy is issued by a mutual, cooperative or reciprocal insurer having
27 special regulations with respect to the payment by the policyholder of
28 assessments, such regulations shall be printed upon the policy and any
29 such insurer may print upon the policy such regulations as are
30 appropriate to or required by its form of organization. Insurers issuing
31 the standard fire insurance policy pursuant to section 38a-307 are
32 authorized to affix thereto or include therein a written statement that
33 the policy does not cover loss or damage caused by nuclear reaction or
34 nuclear radiation or radioactive contamination, all whether directly or
35 indirectly resulting from an insured peril under such policy; provided
36 nothing herein contained shall be construed to prohibit the attachment
37 to any such policy of an endorsement or endorsements specifically
38 assuming coverage for loss or damage caused by nuclear reaction or
39 nuclear radiation or radioactive contamination.

40 (b) Any policy or contract that includes, either on an unspecified
41 basis as to coverage or for an indivisible premium, coverage against
42 the peril of fire and substantial coverage against other perils need not
43 comply with the provisions of subsection (a) of this section, provided:
44 (1) Such policy or contract shall afford coverage, with respect to the
45 peril of fire, not less than the substantial equivalent of the coverage
46 afforded by said standard fire insurance policy; (2) except as provided
47 under subdivision (1) of subsection (a) of this section for a policy or
48 contract of fire insurance for a commercial property made, issued or
49 delivered by a [surplus lines] nonadmitted insurer or any agent or
50 representative thereof, the following provisions in said standard fire
51 insurance policy are incorporated therein without change: (A)
52 Mortgagee interests and obligations, (B) the definitions of actual cash

53 value and depreciation, (C) the time period for when a loss is payable
54 after proof of loss, and (D) the time period for when a suit or action for
55 the recovery of a claim may be commenced; (3) such policy or contract
56 is complete as to all of its terms without reference to any other
57 document; and (4) the commissioner is satisfied that such policy or
58 contract complies with the provisions hereof. The provisions of this
59 subsection shall apply to any such policy or contract issued or renewed
60 on or after July 1, 2014.

61 (c) None of the provisions of this section shall apply to policies of
62 automobile or aircraft physical damage insurance or to policies of
63 inland marine insurance.

64 (d) The provisions of section 38a-346 shall apply in the event of
65 cancellation of a policy issued pursuant to this chapter.

66 (e) Any policies made, issued or delivered through a fire, liability
67 and allied lines underwriting facility established by the Insurance
68 Commissioner pursuant to section 38a-328 shall not be subject to the
69 cancellation of policy provisions or notice of cancellation requirements
70 of section 38a-307, provided such policies comply with any regulation
71 adopted by the Insurance Commissioner pursuant to subsection (a) of
72 section 38a-328.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	38a-308

INS *Joint Favorable Subst.*