



General Assembly

Amendment

January Session, 2017

LCO No. 6832



Offered by:

SEN. LOONEY, 11th Dist.
SEN. DUFF, 25th Dist.
SEN. DOYLE, 9th Dist.
SEN. SLOSSBERG, 14th Dist.

SEN. GERRATANA, 6th Dist.
SEN. WINFIELD, 10th Dist.
SEN. LARSON, 3rd Dist.

To: Subst. Senate Bill No. 806

File No. 301

Cal. No. 174

"AN ACT ESTABLISHING THE CRUMBLING FOUNDATION ASSISTANCE PROGRAM AND ASSISTING HOMEOWNERS WITH CRUMBLING FOUNDATIONS."

1 Strike lines 1 to 19, inclusive, in their entirety and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective July 1, 2018*) (a) Each admitted and
4 nonadmitted insurer that issues, renews, amends or endorses a
5 homeowners insurance policy, a renters insurance policy, a
6 condominium unit owners insurance policy or a master policy that is
7 required to be purchased by a condominium association pursuant to
8 section 47-83 of the general statutes or by a unit owners' association
9 pursuant to section 47-255 of the general statutes on or after July 1,
10 2018, on any property or risks located or resident in this state, shall
11 collect a surcharge of twelve dollars from the named insured under
12 such policy. Such insurer shall state the surcharge separately on a

13 billing notice or policy declaration or in a document provided to the
14 named insured under such policy. In no event shall the surcharge be
15 considered premium for the issuance of such insurance policy.

16 (b) (1) For each insurance policy subject to subsection (a) of this
17 section issued, renewed, amended or endorsed by an admitted insurer,
18 the admitted insurer shall remit to the Insurance Commissioner, not
19 later than March fifteenth annually, all such surcharges collected
20 during the calendar year next preceding and shall include with such
21 remittance, in a form and manner prescribed by the commissioner,
22 documentation to substantiate the surcharge amount remitted.

23 (2) For each insurance policy subject to subsection (a) of this section
24 issued, renewed, amended or endorsed by a nonadmitted insurer, the
25 licensee who procured, continued or renewed such coverage shall
26 remit to the Insurance Commissioner, on or before February fifteenth
27 annually, all such surcharges collected during the calendar year next
28 preceding and shall include with such remittance, in a form and
29 manner prescribed by the commissioner, documentation to
30 substantiate the surcharge amount remitted. For purposes of this
31 subdivision, "licensee" has the same meaning as provided in
32 subsection (b) of section 38a-743 of the general statutes.

33 (c) All such remittances collected shall be deposited in the
34 Crumbling Foundation Assistance Fund established pursuant to
35 section 2 of this act.

36 (d) The Insurance Commissioner may adopt regulations, in
37 accordance with the provisions of chapter 54 of the general statutes, to
38 carry out the purposes of this section.

39 (e) The surcharge required under subsection (a) of this section shall
40 terminate on June 30, 2025."

41 Strike sections 11 and 12 in their entirety and renumber the
42 remaining sections and internal references accordingly

43 After the last section, add the following and renumber sections and
44 internal references accordingly:

45 "Sec. 501. Section 29-263 of the general statutes is amended by
46 adding subsection (d) as follows (*Effective July 1, 2017*):

47 (NEW) (d) Any municipality may, by ordinance adopted by its
48 legislative body, waive any application fee imposed by the
49 municipality and the education fee assessed pursuant to subsection (b)
50 of this section on a building permit application to repair or replace a
51 concrete foundation that has deteriorated due to the presence of
52 pyrrhotite.

53 Sec. 502. Subsection (c) of section 38a-743 of the general statutes is
54 repealed and the following is substituted in lieu thereof (*Effective July*
55 *1, 2017*):

56 (c) (1) (A) With respect to nonadmitted insurance, where such
57 coverage is procured, continued or renewed for an insured by a
58 licensee on or after July 1, 2011, and where this state is an insured's
59 home state, such licensee shall pay a tax equal to the sum of four per
60 cent of the gross premiums charged such insureds by nonadmitted
61 insurers, irrespective of the fact that the insurance policy may cover
62 properties, risks or exposures located or to be performed both within
63 and without this state.

64 (B) With respect to nonadmitted insurance of the type specified
65 under subsection (a) of section 1 of this act, where such coverage is
66 procured, continued or renewed for an insured by a licensee on or
67 after July 1, 2018, such licensee shall pay, in accordance with
68 subdivision (3) of this subsection, the surcharge required under
69 subsection (a) of section 1 of this act.

70 (2) (A) For the period beginning on July 1, 2011, and ending
71 September 30, 2011, each licensee shall pay to the Insurance
72 Commissioner, on or before November 15, 2011, in accordance with
73 procedures established and on forms provided by said commissioner,

74 a tax on nonadmitted insurance equal to the sum of four per cent of the
75 gross premiums charged insureds by nonadmitted insurers during
76 such period.

77 (B) For the period beginning on October 1, 2011, and ending
78 December 31, 2011, each licensee shall pay to the Insurance
79 Commissioner, on or before February 15, 2012, in accordance with
80 procedures established and on forms provided by said commissioner,
81 a tax on nonadmitted insurance equal to the sum of four per cent of the
82 gross premiums charged insureds by nonadmitted insurers during
83 such period.

84 (3) For calendar years beginning on or after January 1, 2012, each
85 licensee shall pay to the Insurance Commissioner, in accordance with
86 procedures established and on forms provided by said commissioner,
87 (A) on or before May fifteenth of each year in which nonadmitted
88 insurance was procured, continued or renewed, a tax on such
89 insurance equal to the sum of four per cent of the gross premiums
90 charged insureds by nonadmitted insurers during the period from
91 January first to March thirty-first of that year; (B) on or before August
92 fifteenth of each year in which nonadmitted insurance was procured,
93 continued or renewed, a tax on such insurance equal to the sum of four
94 per cent of the gross premiums charged insureds by nonadmitted
95 insurers during the period from April first to June thirtieth of that year;
96 (C) on or before November fifteenth of each year in which
97 nonadmitted insurance was procured, continued or renewed, a tax on
98 such insurance equal to the sum of four per cent of the gross premiums
99 charged insureds by nonadmitted insurers during the period from July
100 first to September thirtieth of that year; and (D) (i) on or before
101 February fifteenth of each year succeeding a year in which
102 nonadmitted insurance was procured, continued or renewed, a tax on
103 such insurance equal to the sum of four per cent of the gross premiums
104 charged insureds by nonadmitted insurers during the period from
105 October first to December thirty-first of the preceding year, and (ii)
106 beginning July 1, 2018, on or before February fifteenth of each year
107 succeeding a year in which nonadmitted insurance of the type

108 specified under subsection (a) of section 1 of this act was procured,
109 continued or renewed, the surcharge required under said subsection.

110 (4) In the event of cancellation and rewriting of any nonadmitted
111 insurance contract, the premium for purposes of this subsection shall
112 be the premium in excess of the unearned premium of the cancelled
113 insurance contract.

114 (5) If, pursuant to subsection (g) of this section, the Insurance
115 Commissioner enters into a cooperative or reciprocal agreement with
116 another state or states, and if the provisions set forth in such
117 agreement are different from provisions prescribed by this subsection,
118 then the provisions set forth in such agreement shall prevail."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2018</i>	New section
Sec. 501	<i>July 1, 2017</i>	29-263
Sec. 502	<i>July 1, 2017</i>	38a-743(c)