OLR Bill Analysis

HB 5425

AN ACT REQUIRING HOME IMPROVEMENT CONTRACTORS TO MAINTAIN LIABILITY INSURANCE COVERAGE.

SUMMARY

This bill requires a registered home improvement contractor to (1) maintain professional liability insurance coverage of at least $250,000 and (2) provide satisfactory evidence to the Department of Consumer Protection (DCP) commissioner that he or she maintains such coverage. Existing law, unchanged by the bill, requires contractors who remove or replace underground heating oil storage to have $1 million in liability insurance coverage.

By law, home improvement contractors must register with DCP and, among other things, (1) include their registration numbers in advertisements, (2) show their registration when asked to do so by any interested party, and (3) use written contracts that meet certain statutory requirements.

EFFECTIVE DATE: October 1, 2019

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 19  Nay 0  (03/14/2019)