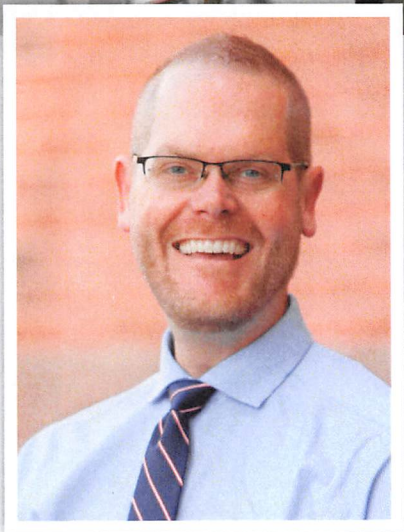


UPDATE ON CRUMBLING FOUNDATIONS

NOVEMBER 2017



STATE REPRESENTATIVE
JEFF CURREY

860-240-1378
Jeff.Currey@cga.ct.gov
www.housedems.ct.gov/Currey



STATE REPRESENTATIVE
CHRISTOPHER DAVIS

860-240-8700 or 800-842-1423
Christopher.Davis@cga.ct.gov
www.RepDavis.com

Crumbling Foundations Relief in Bipartisan Budget

Crumbling Foundations Assistance Fund

The budget provides \$20 million in bonding in each of the next 5 years for the **Crumbling Foundations Assistance Fund**. A non-profit captive insurance company - licensed and regulated by the CT Insurance Department - will be created to distribute the grants to approved contractors on behalf of homeowners.

Responsibilities:

- Develops eligibility requirements and criteria for the distribution of funds
- Approves contractors for foundation replacement and repair
- Seeks out additional federal funds that would then be deposited into Assistance Fund
- Develops a single application for assistance from Fund and Credit Enhancements Program (below)

Structure & Accountability:

- Will be run by a board of at least seven members, including affected homeowners and the executive directors of CRCOG and ERCOG
- Subject to CT Insurance Department regulations and the Secretary of the State's reporting requirements for non-profits
- Decisions on applications shall be made in writing and provided to owners
 - Owners may request a review of decision not later than 30 days after decision

Collapsing Foundations Credit Enhancements Program

This program will be administered by the Connecticut Housing Finance Authority (CHFA) to assist borrowers in obtaining low-rate loans to assist in repair or replacement of foundations and related expenses, if their costs are not fully covered by the Assistance Fund.

Consumer Protections

- Regardless of the date of loss, the homeowner will have, at a minimum, one year from the date they received a written denial, to file suit against their homeowners insurance company
- Requires additional disclosures regarding information about concrete foundations to potential home buyers from sellers
- Creates a special homeowner advocate at the Department of Housing responsible for coordinating efforts of the state to provide assistance

Crumbling Concrete Prevention

- Prohibits reuse of recycled material with pyrrhotite for residential or commercial construction
- Any person selling concrete must provide notice that the product is compliant with standards set by a nationally recognized standards bureau
- Creates working group to develop quality control plan for quarries