



**Substitute House Bill No. 5209**

**Public Act No. 18-160**

***AN ACT IMPOSING A SURCHARGE ON CERTAIN INSURANCE POLICIES AND ESTABLISHING THE HEALTHY HOMES FUND.***

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

Section 1. (NEW) (*Effective January 1, 2019, and applicable to policies delivered, issued or renewed on or after January 1, 2019*) (a) Beginning on January 1, 2019, until December 31, 2029, there shall be imposed a surcharge at the rate of twelve dollars on the named insured under each policy of homeowners insurance delivered, issued for delivery, renewed, amended or endorsed on or after January 1, 2019, for a personal risk insurance policy on owned dwellings with four or fewer units or on condominiums. Such surcharge shall not be considered premium for any purpose.

(b) (1) Acting on behalf of, and as a collection agent of the Healthy Homes Fund established pursuant to section 2 of this act, each admitted and nonadmitted insurer shall remit to the Insurance Commissioner, not later than the thirtieth day of April annually, all surcharges imposed under subsection (a) of this section on the named insured that were collected during the calendar year next preceding for each such policy delivered, issued or renewed before January first of the then current calendar year. Each such remittance shall include documentation, in the form and manner prescribed by the

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commissioner, to substantiate the total surcharge amount being remitted by such insurer or licensee.

(2) All such remittances under subdivision (1) of this subsection, except for the amount of remittances equal to the cost of funding an administrative officer position at the Insurance Department to facilitate the surcharge collection, shall be deposited in the Healthy Homes Fund established in section 2 of this act. Not later than thirty days after such deposit in the Healthy Homes Fund, eighty-five per cent of such deposits shall be transferred to the Crumbling Foundations Assistance Fund established in section 8-441 of the general statutes.

(3) The surcharge imposed pursuant to subsection (a) of this section shall constitute a special purpose assessment for the purposes of section 12-211 of the general statutes.

(c) The commissioner may adopt regulations, in accordance with chapter 54 of the general statutes, to implement the provisions of this section.

Sec. 2. (NEW) (*Effective from passage*) (a) There is established an account to be known as the "Healthy Homes Fund" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Department of Housing for the purposes of:

(1) Funding of not more than one million dollars shall be remitted to the Department of Economic and Community Development to be used for grants-in-aid to homeowners with homes located in the immediate vicinity of the West River in the Westville section of New Haven and Woodbridge for structurally damaged homes due to subsidence and to homeowners with homes abutting the Yale Golf Course in the Westville section of New Haven for damage to such homes from water

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infiltration or structural damage due to subsidence; and

(2) Funding a program, and any related administrative expense, to reduce health and safety hazards in residential dwellings in Connecticut, including, but not limited to, lead, radon and other contaminants or conditions, through removal, remediation, abatement and other appropriate methods. For purposes of this subdivision, "administrative expense" means any administrative or other cost or expense incurred by the Department of Housing in carrying out the provisions of this section, including, but not limited to the hiring of necessary employees and entering into necessary contracts.

(b) The Department of Housing shall notify the Department of Public Health not later than thirty days after the deposit of remittances in the Healthy Homes Fund pursuant to subdivision (2) of subsection (b) of section 1 of this act. Not later than thirty days after the deposit of remittances pursuant to subdivision (2) of subsection (b) of section 1 of this act, the Department of Public Health shall notify each municipal health department in the state annually regarding funds available pursuant to the Healthy Homes Fund established pursuant to subsection (a) of this section.

(c) Not later than January 1, 2020, and annually thereafter, the Commissioner of Housing shall report to the joint standing committees of the General Assembly having cognizance of matters relating to housing, planning and development and appropriations and the budgets of state agencies, in accordance with section 11-4a of the general statutes, regarding the status of the Healthy Homes Fund established pursuant to this section and all moneys deposited into and expended by the Department of Housing pursuant to said account. Any such report may be submitted electronically.

Approved June 13, 2018