

# The Connecticut General Assembly



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## **CFSIC Reaches Major Milestone** *203 Crumbling Foundations Replaced in 20 Months*

HARTFORD — The Connecticut Foundation Solutions Indemnity Company, Inc. reached a significant milestone on Friday, September 18 – over 200 crumbling foundations, 203 specifically, have been replaced in 20 months.

CFSIC released the news on its [web site](#) September 21. Construction costs for repaired foundations totaled over \$38.5 million and over \$6.8 million in reimbursements for foundation replacements.

“This is a major milestone,” said Superintendent Michael Maglaras. “We are restoring families to their homes in the middle of the terrible crumbling foundations crisis, which has disrupted, in so many ways, so many lives. CFSIC and what it does is a working example of how government can work on a local level to make a difference in people’s lives.”

"We have come a long way since this crisis became prevalent in 2015. The process was not easy, but by working in a bipartisan fashion with my legislative colleagues and with key community stakeholders and advocates, I am proud to celebrate this milestone achievement. I would like to thank my legislative colleagues who worked within the Crumbling Concrete Foundations Caucus to push for solutions, and to the CFSIC for delivering on providing crucial resources so that many of our neighbors could rebuild their homes," said **State Representative Kurt Vail** (R – Somers, Stafford).

"The crumbling foundations epidemic has had long-reaching effects. It not only displaces families from their homes and plummets home values, it also impacts a town or city's tax base, resulting in a loss of revenue. Thank you to Superintendent Maglaras and everyone at CFSIC for working diligently over the past months to provide direct assistance to homeowners and restore stability in their lives," said **State Representative Jeff Currey** (D – East Hartford, Manchester, South Windsor). "Since learning of the situation, the legislature's Crumbling Concrete Foundations Caucus and greater Connecticut General Assembly have been working in tandem to develop strategies to provide direct relief to families. It's encouraging to see this program is having a positive impact in our state."

CFSIC was created in 2017 to assess claims and award grants to affected homeowners to help repair and replace foundations that were crumbling due to the mineral pyrrhotite, which expands when exposed to water and oxygen, causing concrete containing it to swell and crack. A year later, the legislature established the Healthy Homes Fund \$12 surcharge on homeowner's insurance to help fund the captive insurer.

In 2019, the legislature passed [legislation](#) to expand the number of homes eligible for financial assistance, made changes to the insurance surcharge, and developed a low interest loan program to provide supplemental aid to homeowners. The legislature also included a tax exemption in the biennium [state budget](#) for homeowners selling homes with crumbling foundations.

This week, the Connecticut General Assembly is anticipated to convene for a special session to expand the Supplemental Collapsing Foundation Loan Program to condominium associations. The low interest loan program allows homeowners receiving CFSIC funds to apply for supplemental loans to assist in the repair or replacement of their home's crumbling foundation. The funds can be used to cover costs of repairs that may not be covered by CFSIC funding, such as the replacement of decking, heating, and plumbing.

The supplemental loan program is administered by the [Connecticut Housing Finance Authority](#) and participating financial institutions may provide loans up to \$75,000 to eligible borrowers. Funding for the program is capped at \$20 million.

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