

The Connecticut General Assembly



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Legislators Praise Approval of Crumbling Foundations Remediation Funds, Expansion of Testing Program *Formation of captive insurance company proceeding*

State Rep. Jeff Currey (D-East Hartford/Manchester/South Windsor), **State Sen. Tim Larson** (D-East Hartford), and **State Sen. Steve Cassano** (D- Manchester) praised the Bond Commission’s approval today of the first installment of funding to assist homeowners with crumbling concrete foundations.

The commission approved \$350,000 to provide the initial capital required under state law to license the captive insurance company, Connecticut Foundation Solutions Indemnity Company, LLC, that will distribute remediation funds.

Additionally, the commission approved a measure expanding eligibility for a previously approved \$5 million in funding for foundations testing. Approved in February of 2017, the funding was previously only available to households within 20 miles of J.J. Mottes Concrete Company in Stafford Springs. The change allows the Department of Housing Commissioner to approve reimbursements for households outside of the originally approved radius.

“This initial funding will allow us to formally launch the captive insurance company so they can establish eligibility requirements and begin helping homeowners with remediation. Expanding the foundations testing program is another key component in our ongoing efforts to assist all Connecticut residents dealing with crumbling concrete foundations,” **Rep. Currey** said. “I recognize that for the homeowners struggling with this devastating issue, nothing can move fast enough. We are making progress, and I am deeply committed to seeing through the implementation of the legislation we passed last year.”

“We’ve come a long way since first learning about the crumbling foundations issue several years ago. As chairman of the Public Safety and Security, I was able to work with residents, town managers, banks, insurance companies and others to develop legislation to help mitigate the financial impact for these homeowners,” **Sen. Larson** said. “I am pleased to see our plan reach the next phase with the approval of this funding and the expansion of the reimbursement program.”

“The private-sector construction, banking and insurance industries have yet to help affected homeowners, so now the state has stepped in to solve the problem. That's what we do,” **Sen. Cassano** said. “We must have this new insurance agency up and running soon to start processing claims, and homeowners should start seeing some relief this year. I'm glad the Bond Commission took action today to get the ball rolling in the right direction for thousands of homeowners in north central Connecticut.”

The creation of the independent, not-for-profit captive insurance company was authorized through language included in the state budget passed in October. The company will be in charge of administering the Crumbling Foundations Assistance Fund, including developing eligibility requirements for the distribution of remediation funds and approving contractors for foundation repair and replacement.

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