

Crumbling Foundations Language

Sec. 268:

- Establishes the “Crumbling Foundations Assistance Fund.”
- Creates a single, overseeing entity to be known as the Office of the Executive Administrator of the Crumbling Foundations Assistance program which shall exist within the Governor’s office.
- This entity will administer grants to owners of residential buildings to owners of residential buildings with foundations crumbling due to the presence of pyrrhotite. The committees of the General Assembly having cognizance of matters relating to local governments and housing must consider and either approve or reject all grant eligibility requirements established by this administrator.
- An owner who receives financial assistance from a homeowners insurance policy is entitled to grant funds but the amount of financial assistance will be deducted from it.
- An owner who receives a grant from the Crumbling Foundations Assistance program shall indemnify and hold harmless any insurance company which voluntarily contributed to the fund. The indemnification shall be an amount equal to or greater than the total contribution made by such insurance company.
- These grants are not to be considered income for state income tax purposes.

Sec. 269:

- Establishes the “Crumbling Foundations Interest Rate Reduction program” which is to be administered by the Dept. of Consumer Protection. It will be designed to assist eligible borrowers through the utilization of interest rate subsidies when such borrowers face difficulty obtaining financing.

Sec. 270:

- Requires the Commissioner of Energy and Environmental Protection to study and report on testing methods utilized by foreign and domestic governmental entities to determine acceptable levels of pyrrhotite in natural aggregates used in concrete foundations.

Sec. 271:

- Requires municipalities to waive any application fee which would normally be required for a building permit to repair or replace concrete foundations.

Sec. 272:

- Requires the State Building Inspector to waive the education fee on an application for a building permit to repair or replace the concrete foundation of a residential building if such concrete foundation has deteriorated due to the presence of pyrrhotite.

Sec. 273:

- Requires the Office of the Executive Administrator of the Crumbling Foundations Assistance program to, in consultation with the Labor Commissioner, establish a training program for contractors engaged in the repair and replacement of concrete foundations.

Sec. 274:

-Requires, upon the sale of a home, a statement that the prospective purchaser should have the foundation inspected by a professional/licensed engineer for deterioration due to pyrrhotite.

Sec. 275:

-Requires insurers to provide a copy of the policy along with all amendments, endorsements, and riders to any insured homeowner.

Sec. 276:

-Requires insurers to disclose either the date upon which the contractual limitation period for commencing a suit on such claim will expire or reference a provision of such policy that establishes such contractual limitation period.

Sec. 277:

-Creates a tax deduction for contributions to the “Crumbling Foundations Voluntary Assistance Fund.”

Sec. 278:

-Prohibits the reuse or recycling of material known to contain the mineral pyrrhotite for the purpose of producing structural concrete for residential or commercial construction.

Sec. 279:

-Requires the Commissioner of Consumer Protection to form a working group with representatives of the homebuilders and construction industries to develop a model quality control plan to the General Assembly’s Planning & Development Committee.