

Jessica:

On behalf of Rep. Delnicki, you asked for (1) the statute of limitations for filing suit against a homeowners insurance carrier and (2) any statutory deadlines for insurers to respond to claims. The Office of Legislative Research is not authorized to give legal opinions and this email should not be considered one.

### **Statute of Limitations**

#### ***In General***

By law, under a standard homeowners insurance policy, a person who wants to sue his or her insurance carrier over a property loss claim denial must file suit within 24 months after the inception of the loss (CGS §§ [38a-307](#) & [38a-308](#)). State law also prohibits an insurer from setting a time limitation on suits that is less than one year from when the loss insured against occurs (CGS § [38a-290](#)).

As the statute of limitations is set by law, the insurance commissioner does not have authority to establish it. Rather, she is required to see that the insurance laws are faithfully executed and has all powers reasonable and necessary to protect the public interest (CGS § [38a-8](#)).

Using the authority granted her, the commissioner issued [Bulletin IC-37](#) on January 9, 2017. Because homeowners are not always aware of the date of loss, especially when damage occurs over time, the bulletin directs insurance carriers to disclose in each claim denial letter the deadline for bringing suit. This was effective with claim denials processed after February 15, 2017.

#### ***For Crumbling Concrete***

PA 17-2 June Special Session § 341 requires personal risk insurance policies (e.g., homeowners) and certain condominium master and property insurance policies to allow suit against insurers for up to one year after the date the insured receives a written denial for all or any part of a claim under a property coverage provision for a crumbling concrete foundation.

#### **Timeframes for Responding to a Claim**

By law, insureds must immediately notify an insurer of any loss and provide proof of the loss within 60 days.

If the insured and insurer fail to agree on the loss' value, then each party has 20 days to select an appraiser. The appraisers determine the actual cash value of the loss and must submit any differences to a neutral umpire (whom the appraisers have 15 days to select). It appears that once insurers accept an appraiser's or umpire's valuation, they must notify the insured within 30 days of their intention to repair, replace, or rebuild the destroyed property.

Generally, insurers must pay the value of the loss within 30 days (1) after the insured files proof of loss and (2) the insured and insurer agree on the loss' value (CGS § 38a-307).

You may be interested to know that the National Association of Insurance Commissioner's (NAIC) [Unfair Property/Casualty Claims Settlement Practices Model Regulation](#) proposes additional time frames for insurers, including a 15 day requirement to acknowledge claims.

Best,  
Alex

Alexander Reger  
*Associate Legislative Analyst*  
Office of Legislative Research  
Connecticut General Assembly  
Room 5300, Legislative Office Building  
Hartford, CT 06106  
Phone: (860) 240 – 8439  
[Alex.Reger@cga.ct.gov](mailto:Alex.Reger@cga.ct.gov)



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