



State of Connecticut
CONNECTICUT GENERAL ASSEMBLY
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

April 15, 2019

Ned Lamont
Governor
State of Connecticut
210 Capitol Ave
Hartford, Connecticut 06106

William Tong
Attorney General
State of Connecticut
55 Elm Street
Hartford, Connecticut 06106

Andrew N. Mais
Commissioner
Insurance Department
153 Market Street 7th Floor
Hartford, Connecticut 06103

Dear Governor Lamont, Attorney General Tong and Commissioner Mais:

We are writing to request an investigation into possible Connecticut Unfair Insurance Practices Act (CUIPA) violations by insurance companies as it pertains to crumbling foundations.

On March 8, 2019, the Planning and Development Committee and the Insurance and Real Estate Committee held a public hearing. This public hearing covered proposed legislation concerning the crumbling foundation issue. Of particular note was testimony concerning alleged changes in homeowners' insurance policy language beginning in the early 2000s which may have affected coverage for those with crumbling foundations.

On July 7, 2016, a letter authored by then Attorney General George Jepsen made reference to the Insurance Department having yet to have initiated a CUIPA investigation or other subpoenas to gather information concerning insurers' coverage obligations, coverage denial conduct, or communications to their policy holders relating to crumbling foundation coverage. I have included this letter and you will find reference to the CUIPA discussion on page 3. To the best of our knowledge, no substantial action was taken as a result of this letter, but

with the dawn of a new administration, we are asking for the new Insurance Commissioner and new Attorney General to take a fresh look at this issue which impacts 42 cities and towns in Connecticut, which make up roughly one-quarter of our state's municipalities.

To make matters worse for the victims with crumbling concrete foundations, it recently came to light that there are documented cases of insurance providers canceling homeowners' policies due to cracking foundations caused by pyrrhotite. While we appreciate the Insurance Department's swift actions in remedying these matters, we will remind you that this is in direct violation of the agency directive issued by former Insurance Commissioner Katherine Wade in 2016.

The taxpayers and homeowner insurance policy holders of Connecticut are currently footing the bill for this catastrophe. The time has come for a CUIPA investigation. Transparency and accountability for all stakeholders in this issue is critical for our communities. We respectfully request that an immediate CUIPA investigation be initiated into all aspects of the crumbling foundation issue.

Respectfully submitted,



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14th District



Rep. Christopher Davis
57th District



Rep. Jason Doucette
13th District



Rep. Michael Winkler
56th District



Rep. Kenneth Gucker
138th District



Sen. Steve Cassano
4th District



Sen. Dan Champagne
35th District



Sen. Saud Anwar
3rd District



Rep. Geoff Luxenberg
12th District



Rep. Robin Green
55th District



Rep. Irene Haines
34th District



Rep. Carol Hall
59th District



Rep. Tami Zawistowski
61st District



Rep. Linda Orange
48th District



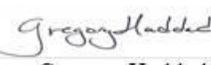
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8th District



Rep. Pat Wilson Pheanious
53rd District



Rep. Jeff Currey
11th District



Rep. Gregory Haddad
54th District



Rep. Jason Rojas
9th District



Rep. Kurt Vail
52nd District



Rep. Pat Boyd
50th District