



**2019 Update.** The Department is updating this Notice to specifically remind insurers of the provisions of Conn. Gen. Stat. section 38a-316d, entitled ***Prohibitions on declinations, cancellation and nonrenewal of homeowners insurance policies*** related to crumbling foundation claims and coverage inquiries. Subsection(c) of that statute states:

The cancellation or nonrenewal of a homeowners insurance policy **or an increase in the premium of such policy** is prohibited if the cancellation, nonrenewal or increase is based **solely on inquiries made on such policy or a claim filed under such policy that resulted in a loss coverage payment by the insurer of less than five hundred dollars or in no loss coverage payment.** ...

Companies are further instructed that pursuant to Conn. Gen. Stat. section 38a-316d and the Commissioner's general authority, use of Comprehensive Loss Underwriting Exchange ("CLUE") claim information or any other sources of claim-related information similar to that used in CLUE concerning a crumbling foundation inquiry or claim is prohibited in connection with the underwriting, pricing and/or surcharging new or renewal business (both homeowners and condominium association master policies covering the buildings of residential unit owners) relative to that risk.

In addition, the Department will not approve company underwriting rules or guidelines which provide for the cancellation or nonrenewal of a homeowners insurance policy<sup>2</sup> or an increase in the premium of such policy if the cancellation, nonrenewal or premium increase is based solely on unrepaired crumbling foundation damage. Cancellation, nonrenewal or an increase in premium is also prohibited if such cancellation or nonrenewal is based on or related to the property's crumbling foundation being in a current state of unrepair or under repair.

If you have any questions concerning this Notice, please contact George Bradner, Director Property and Casualty Division at (860) 297-3866 or via email at [George.Bradner@ct.gov](mailto:George.Bradner@ct.gov).



Andrew N. Mais  
Insurance Commissioner

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<sup>2</sup> While company underwriting guidelines are not required to be filed with respect to Condominium Association Master Insurance policies (whether or not labeled or treated as a commercial policy), the Department expects that insurers will not seek to cancel or nonrenew such policies or increase the premium of such policies if the cancellation, nonrenewal or increase in premium is based solely on crumbling foundation damage.