



House of Representatives

General Assembly

File No. 59

January Session, 2025

Substitute House Bill No. 6897

House of Representatives, March 6, 2025

The Committee on Insurance and Real Estate reported through REP. WOOD of the 29th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT EXTENDING THE SUNSET DATE FOR PERSONAL RISK INSURANCE RATE FILINGS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 38a-688a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective June*
3 *30, 2025*):

4 (a) Notwithstanding the requirements of sections 38a-389 and 38a-
5 688 with respect to personal risk insurance with the exception of
6 residual market rates, and on and after July 1, 2006, and until July 1,
7 [2025] 2030, an insurer may file a rate with the Insurance Commissioner
8 pursuant to this section and such rate shall take effect the date it is filed
9 provided the rate provides for an overall state-wide rate increase or
10 decrease of not more than six per cent in the aggregate and not more
11 than a fifteen per cent increase in any individual territory for all
12 coverages that are subject to the filing. Such percentage limits shall not
13 apply on an individual insured basis. Not more than one filing may be
14 made by an insurer pursuant to this section within any twelve-month

15 period unless the filing, when combined with one or more filings made
16 by the insurer within the preceding twelve months, does not result in an
17 overall state-wide increase or decrease of more than six per cent in the
18 aggregate and not more than a fifteen per cent increase in any individual
19 territory for all coverages that are subject to the filing.

This act shall take effect as follows and shall amend the following sections:		
Section 1	June 30, 2025	38a-688a(a)

INS *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

There is no fiscal impact to the state or municipalities from the bill, which extends the sunset date for personal risk insurance "flex rating" law by five years. The change has no impact to the Insurance Department as it extends current practice.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**sHB 6897*****AN ACT EXTENDING THE SUNSET DATE FOR PERSONAL RISK INSURANCE RATE FILINGS.*****SUMMARY**

This bill extends the sunset date for the personal risk insurance (e.g., home, auto, marine, or umbrella) “flex rating” law by five years, from July 1, 2025, to July 1, 2030.

The flex rating law allows property and casualty insurers to file new personal risk insurance rates with the insurance commissioner and begin using them immediately, without prior approval, under certain circumstances.

To qualify under the flex rating law, a personal risk insurance rate cannot (1) increase or decrease by more than 6% statewide or (2) increase by more than 15% in any individual territory. By law, if the insurance commissioner determines rates are inadequate or unfairly discriminatory, he must order the insurer to stop using the flex rating rate change by a specified future date.

EFFECTIVE DATE: June 30, 2025

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 12 Nay 1 (02/20/2025)