



Senate

General Assembly

File No. 733

January Session, 2025

Substitute Senate Bill No. 1322

Senate, April 23, 2025

The Committee on Judiciary reported through SEN. WINFIELD of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT REQUIRING STUDIES OF INSURANCE POOLING FOR
NONPROFIT ORGANIZATIONS AND CERTAIN PRACTICES BY
HOMEOWNERS INSURANCE COMPANIES.***

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

1 Section 1. (*Effective from passage*) The Insurance Commissioner shall
2 study the feasibility of (1) allowing one or more nonprofit entities to
3 pool such nonprofit entities' liability insurance policies, including
4 general liability insurance and automobile liability insurance, and (2)
5 establishing a captive insurance company to insure the risk of such pool.
6 Not later than February 1, 2026, the Insurance Commissioner shall
7 report, in accordance with the provisions of section 11-4a of the general
8 statutes, to the joint standing committee of the General Assembly
9 having cognizance of matters relating to insurance on the findings of
10 such study.

11 Sec. 2. (*Effective from passage*) The Insurance Commissioner shall
12 conduct a study of homeowners insurance practices that require
13 policyholders to make repairs or modifications to such policyholders'

14 residential properties as a condition of granting or maintaining
15 homeowners insurance coverage, including an examination of the
16 frequency and nature of such practices, any financial impact on such
17 policyholders, the reasonableness and necessity of required
18 modifications to residential homes and related homeowners insurance
19 practices in other states. Not later than February 1, 2026, the Insurance
20 Commissioner shall submit a report, in accordance with the provisions
21 of section 11-4a of the general statutes, to the joint standing committee
22 of the General Assembly having cognizance of matters relating to
23 insurance on the findings of such study.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In Section 2, "(NEW)" was deleted for consistency with standard drafting conventions.

INS *Joint Favorable C/R*

JUD

JUD *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:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Insurance Dept.	IF - Cost	125,000 - 175,000	None

Note: IF=Insurance Fund

Municipal Impact: None

Explanation

The bill requires the Insurance Department to conduct two studies, resulting in a cost to the Insurance Fund of approximately \$125,000 to \$175,000 in FY 26.

Section 1 requires the department to study certain nonprofit liability insurance concepts and issue a report by February 1, 2026. The department will contract with a consultant, as it lacks the expertise to conduct the study, at an expected cost of \$50,000 to \$75,000 in FY 26.

Section 2 requires the department to study certain homeowners insurance practices and issue a report by February 1, 2026. As the department does not have the expertise to conduct this study, it will hire a consultant at an anticipated cost of \$75,000 to \$100,000 in FY 26.

The Out Years

The bill has no cost in the out years as the costs are one-time in nature.

OLR Bill Analysis

sSB 1322

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SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Change of Reference - JUD
Yea 11 Nay 2 (03/11/2025)

Judiciary Committee

Joint Favorable Substitute
Yea 41 Nay 0 (04/08/2025)