

# **Crumbling Foundations Relief in Bipartisan Budget**

## **Crumbling Foundations Assistance Fund**

The budget provides \$20 million in bonding in each of the next 5 years for the **Crumbling Foundations Assistance Fund**. A non-profit captive insurance company - licensed and regulated by the CT Insurance Department - will be created to distribute the grants to approved contractors on behalf of homeowners.

### Responsibilities:

- Develops eligibility requirements and criteria for the distribution of funds
- Approves contractors for foundation replacement and repair
- Seeks out additional federal funds that would then be deposited into Assistance Fund
- Develops a single application for assistance from Fund and Credit Enhancements Program (below)

### Structure & Accountability:

- Will be run by a board of at least seven members, including affected homeowners and the executive directors of CRCOG and ERCOG
- Subject to CT Insurance Department regulations and the Secretary of the State's reporting requirements for non-profits
- Decisions on applications shall be made in writing and provided to owners
  - Owners may request a review of decision not later than 30 days after decision

## **Collapsing Foundations Credit Enhancements Program**

This program will be administered by the Connecticut Housing Finance Authority (CHFA) to assist borrowers in obtaining low-rate loans to assist in repair or replacement of foundations and related expenses, if their costs are not fully covered by the Assistance Fund.

### **Consumer Protections**

- Regardless of the date of loss, the homeowner will have, at a minimum, one year from the date they received a written denial, to file suit against their homeowners insurance company
- Requires additional disclosures regarding information about concrete foundations to potential home buyers from sellers
- Creates a special homeowner advocate at the Department of Housing responsible for coordinating efforts of the state to provide assistance

### **Crumbling Concrete Prevention**

- Prohibits reuse of recycled material with pyrrhotite for residential or commercial construction
- Any person selling concrete must provide notice that the product is compliant with standards set by a nationally recognized standards bureau
- Creates working group to develop quality control plan for quarries