

General Assembly

Committee Bill No. 5425

January Session, 2019

LCO No. 5472



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by: (INS)

AN ACT REQUIRING HOME IMPROVEMENT CONTRACTORS TO MAINTAIN LIABILITY INSURANCE COVERAGE.

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

- Section 1. Section 20-420 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2019*):
- 3 (a) No person shall hold himself or herself out to be a contractor or 4 salesperson without first obtaining a certificate of registration from the 5 commissioner as provided in this chapter, except that an individual or 6 partner, or officer or director of a corporation registered as a contractor 7 shall not be required to obtain a salesperson's certificate. No certificate 8 shall be given to any person who holds himself or herself out to be a 9 contractor that performs radon mitigation unless such contractor 10 provides evidence, satisfactory to the commissioner, that the contractor 11 is certified as a radon mitigator by the National Radon Safety Board or 12 the National Environmental Health Association. No certificate shall be 13 given to any person who holds himself or herself out to be a contractor 14 that performs removal or replacement of any residential underground 15 heating oil storage tank system unless such contractor provides 16 evidence, satisfactory to the commissioner, that the contractor (1) has

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- 17 completed a hazardous material training program approved by the
- 18 Department of Energy and Environmental Protection, and (2) has
- 19 presented evidence of liability insurance coverage of one million
- dollars.
- 21 (b) No contractor shall employ any salesman to procure business 22 from an owner unless the salesman is registered under this chapter.
- 23 (c) No individual shall act as a home improvement salesman for an unregistered contractor.
- 25 (d) On and after July 1, 2008, a home improvement contractor shall
- 26 not perform gas hearth product work, as defined in subdivision (22) of
- 27 section 20-330, unless such home improvement contractor holds a
- 28 limited contractor or journeyman gas hearth installer license pursuant
- 29 to section 20-334f.
- 30 (e) Except as required under subdivision (2) of subsection (a) of this
- 31 section, no person shall act as a contractor unless such person
- 32 maintains liability insurance coverage in an amount that is not less
- 33 than two hundred fifty thousand dollars and provides evidence,
- 34 satisfactory to the commissioner, that such person maintains such
- 35 <u>coverage.</u>

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

Section 1	October 1, 2019	20-420

INS Joint Favorable

APP Joint Favorable