



General Assembly

January Session, 2025

**Raised Bill No. 1322**

LCO No. 4479



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:  
(INS)

**AN ACT CONCERNING NONPROFIT HUMAN SERVICES PROVIDERS,  
REQUIRING STUDIES OF INSURANCE POOLING FOR NONPROFIT  
ORGANIZATIONS AND CERTAIN PRACTICES BY HOMEOWNERS  
INSURANCE COMPANIES AND EXEMPTING NONPROFIT  
ORGANIZATIONS FROM CERTAIN AUTOMOBILE INSURANCE AND  
BOND REQUIREMENTS.**

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

1 Section 1. (NEW) (Effective October 1, 2025) (a) As used in this section:

2 (1) "Nonprofit human services provider" means any nonprofit  
3 provider that contracts with the state to provide health and human  
4 services that may include, but need not be limited to: (A) Services for  
5 persons with a physical disability; (B) services for persons with an  
6 intellectual disability or developmental disabilities, including, but not  
7 limited to, autism spectrum disorder; and (C) behavioral health services;  
8 and

9 (2) "Purchase of service contract" and "state agency" have the same  
10 meanings as provided in section 4-70b of the general statutes.

11 (b) No nonprofit human services provider that contracts with the

12 state through a purchase of service contract shall be liable for injury to  
13 person or property caused by the negligent acts or omissions of any state  
14 official, state employee or third party occurring during the performance  
15 of such nonprofit human services provider's contractual obligations  
16 pursuant to such purchase of service contract.

17       Sec. 2. (*Effective from passage*) The Insurance Commissioner shall study  
18 the feasibility of (1) allowing one or more nonprofit entities to pool such  
19 nonprofit entities' liability insurance policies, including general liability  
20 insurance and automobile liability insurance, and (2) establishing a  
21 captive insurance company to insure the risk of such pool. Not later than  
22 February 1, 2026, the Insurance Commissioner shall report, in  
23 accordance with the provisions of section 11-4a of the general statutes,  
24 to the joint standing committee of the General Assembly having  
25 cognizance of matters relating to insurance on the findings of such  
26 study.

27       Sec. 3. Subsection (a) of section 14-29 of the general statutes is  
28 repealed and the following is substituted in lieu thereof (*Effective October*  
29 *1, 2025*):

30       (a) The commissioner shall not register any motor bus, taxicab, school  
31 bus, motor vehicle in livery service, student transportation vehicle or  
32 service bus and no person may operate or cause to be operated upon  
33 any public highway any such motor vehicle until the owner or lessee  
34 thereof has procured insurance or a bond satisfactory to the  
35 commissioner that shall indemnify the insured against any legal liability  
36 for personal injury, the death of any person or property damage, which  
37 injury, death or damage may result from or have been caused by the use  
38 or operation of such motor vehicle described in the contract of insurance  
39 or such bond. Such insurance or bond shall not be required from (1) a  
40 municipality or nonprofit organization, as provided in section 33-418g,  
41 which the commissioner finds has maintained sufficient financial  
42 responsibility to meet legal liability for personal injury, death or damage  
43 resulting from or caused by the use or operation of a service bus owned

44 or operated by such municipality or nonprofit organization, or (2) the  
 45 owner or lessee of such class of motor vehicle who holds a certificate of  
 46 public necessity and convenience from the Department of  
 47 Transportation if such owner or lessee has procured from the  
 48 department a certificate that the department has found that such owner  
 49 or lessee is of sufficient financial responsibility to meet legal liability for  
 50 personal injury, death or property damage resulting from or caused by  
 51 the use or operation of such motor vehicle. The Department of  
 52 Transportation may issue such certificate upon presentation of evidence  
 53 of financial responsibility that is satisfactory to it.

54 Sec. 4. (NEW) (*Effective from passage*) The Insurance Commissioner  
 55 shall conduct a study of homeowners insurance practices that require  
 56 policyholders to make repairs or modifications to such policyholders'  
 57 residential properties as a condition of granting or maintaining  
 58 homeowners insurance coverage, including an examination of the  
 59 frequency and nature of such practices, any financial impact on such  
 60 policyholders, the reasonableness and necessity of required  
 61 modifications to residential homes and related homeowners insurance  
 62 practices in other states. Not later than February 1, 2026, the Insurance  
 63 Commissioner shall submit a report, in accordance with the provisions  
 64 of section 11-4a of the general statutes, to the joint standing committee  
 65 of the General Assembly having cognizance of matters relating to  
 66 insurance on the findings of such study.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2025</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>October 1, 2025</i>	14-29(a)
Sec. 4	<i>from passage</i>	New section

**Statement of Purpose:**

To: (1) Protect nonprofit human services providers from liability for injuries caused by negligent acts or omissions of the state or third

parties; (2) require the Insurance Commissioner to conduct a feasibility study of general and automobile liability insurance pooling for nonprofit organizations; (3) require the Insurance Commissioner to conduct a study of homeowners insurance practices requiring policyholders to make repairs or modifications to such policyholders' residential properties as a condition of granting or maintaining homeowners insurance coverage; and (4) exempt nonprofit organizations from certain automobile insurance and bond requirements.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*