

House Republican Press Release

May 8, 2007
Press Office: 860-240-8700

Harkins Bill Protecting Condo Owners from Floods Passes House



Legislator's Bill Requires Certain Condo Associations to Have Flood Insurance

HARTFORD-Legislation introduced by State Representative John Harkins (R-Stratford) that would require condominium associations located in designated coastal flood zones have flood coverage as part of their master physical damage policy was passed by the State House of Representatives today. Only those units physically situated within the flood zone would be assessed by the association. The measure would protect those condominium owners that live in these flood zones.

Currently, Connecticut law requires condominium associations to carry liability and property insurance to protect against loss, but neither of these types of coverage protects the insured in the event of a flood. There is no requirement for flood insurance under Connecticut law. Under federal law, properties that are determined to be in a flood zone by the Federal Emergency Management Agency (FEMA) must have flood insurance to obtain secured financing. However, lender industry practice has been to defer to the association for compliance.

Flood insurance is not available from the private insurance industry. It is provided by the National Flood Insurance Program (NFIP). Associations would purchase the protection from the NFIP and assess the unit owners the premium through association dues.

“A condominium owner may think that they are covered in the event of a flood from insurance carried by their association, and they are at risk of great loss because of this” said Representative Harkins, who sits on the legislature’s Insurance and Real Estate Committee. “The kinds of insurance we mandate in Connecticut would not cover loss from a flood event. This bill would require associations for condominiums located in flood zones to obtain flood insurance as part of the package of policies carried by the association. It will properly protect such condo owners from loss, and assure them that should a flood occur, they will not lose their homes and property.”

The bill now heads to the Senate for action there. This session of the General Assembly concludes at midnight, June 6th, 2007.