



## CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION

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JONATHAN A. HARRIS | COMMISSIONER

### Testimony of Jonathan A. Harris Commissioner of Consumer Protection

Public Safety and Security, Insurance and Real Estate,  
Planning and Development and Banking Committees

Public Hearing, February 28, 2017

#### **S.B. 794 “AN ACT ASSISTING HOMEOWNERS WITH CRUMBLING FOUNDATIONS”**

Honorable Chairs, Ranking Members and Committee Members of the Public Safety and Security, Insurance and Real Estate, Planning and Development and Banking Committees thank you for the opportunity to provide testimony in support of S.B. 794, An Act Assisting Homeowners with Crumbling Foundations.

On January 1, 2017, pursuant Public Act 16-45, the Department of Consumer Protection (DCP) issued a report to the Planning and Development Committee on the potential cause or causes of deteriorating concrete foundations in northeastern Connecticut. The findings in the report were based upon an 18 month detailed investigation into both the natural and potentially man-made causes of this disaster. DCP concluded that the deteriorating concrete foundations are caused, at least in part, by the naturally existing mineral, pyrrhotite, present in the concrete mix used to pour the foundations. DCP’s role was to research the cause of these deteriorating foundations, in order to determine whether or not there was sufficient evidence to pursue a claim under the Connecticut Unfair Trade Practice Act. From the beginning of the process, it appeared that that regardless of cause, any remedies would have to involve collaboration between public and private sectors at multiple levels.

We believe that this proposal from the Governor is strong step in that direction. It would allow municipalities to obtain funding through the sale of bonds to provide credit enhancements, loan guarantees or procurement of construction equipment or materials to supplement the costs

of deteriorating foundations. Also, when a building permit application is for the purpose of repairing or replacing a deteriorated foundation due to the presence of pyrrhotite, this proposal would require the State Building Inspector to waive the education fee when a municipality waives the application fee for the permit. We encourage the legislature to support the Governor's proposed legislation as a strong measure towards remediating this situation.

DCP remains committed to providing our expertise and any information from our investigation that we can disclose to elected officials, other government officials, and members of the private sector working together to seek remedies for homeowners.