

1 S.47

2 Introduced by Senators McCormack and Giard

3 Referred to Committee on

4 Date:

5 Subject: Insurance; homeowner's insurance; mold coverage

6 Statement of purpose: This bill proposes to require property and casualty  
7 insurers to provide insurance coverage for damage arising from mold  
8 contamination.

9 An act relating to mold insurance coverage

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 Sec. 1. 8 V.S.A. chapter 105, subchapter 5 is added to read:

12 Subchapter 5. Mold Insurance Coverage

13 § 4011. COVERAGE REQUIRED

14 An insurer doing business in this state that offers or provides casualty  
15 insurance or property insurance coverage for residential real property or for a  
16 mobile home that meets the definition in 10 V.S.A. § 6201(1) and is used as a  
17 primary residence, whether such residential real or personal property is owned  
18 or leased, shall as a condition of its authority to do business in this state offer  
19 insurance coverage in a form approved by the commissioner for damage or

1 loss, including costs for remediation, arising from mold contamination of  
2 residential real or personal property.

3 § 4012. LANDLORD POLICY

4 Any policy of property or casualty insurance offered pursuant to section  
5 4011 of this subchapter that is provided to a landlord for coverage of damage  
6 or loss arising from mold contamination of a rental property shall include  
7 coverage for loss or damage to tenants' personal property due to mold  
8 contamination and, in the event the residential real property requires mold  
9 remediation lasting more than five days, shall include coverage for reasonable  
10 costs incurred by tenants to secure comparable housing during the period of  
11 remediation.

12 § 4013. COMPLAINT AND INVESTIGATION OF CONTAMINATION

13 Within five days of receiving a complaint filed by an owner or lessee of  
14 residential real or personal property, the Vermont department of health shall  
15 conduct an initial investigation of mold contamination of the property. Within  
16 seven days of completion of the inspection, the department shall prepare a  
17 report concluding whether the property is contaminated, is not contaminated,  
18 or requires further professional inspection. The department shall submit its  
19 report to the individual who filed the original complaint and, upon request of  
20 the owner or lessee of the property, to the insurance provider of record.

1       Sec. 2. EFFECTIVE DATE

2       This act shall take effect on July 1, 2011.