

Request for Proposal

to Perform the Functions of Superintendent of the captive insurance company to be established for the purpose of providing assistance to owners of residential buildings with concrete foundations that have deteriorated due to the presence of pyrrhotite, hereafter referred to as the Connecticut Foundation Solutions Indemnity Company, LLC (“CFSIC”)

**The Incorporators of the Connecticut Foundation Solutions Indemnity Company, LLC (“CFSIC”)
February 12, 2018**

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February 12, 2018
By Electronic Mail

RE: Request for Proposal to Perform the Functions of Superintendent of the captive insurance company to be established for the purpose of providing assistance to owners of residential buildings with concrete foundations that have deteriorated due to the presence of pyrrhotite, hereafter referred to as the Connecticut Foundation Solutions Indemnity Company, LLC (“CFSIC”)

Dear Captive Professional:

The Incorporators of CFSIC are seeking proposals from qualified firms for consulting services in the fulfillment of the role of Superintendent of CFSIC. The superintendent will be expected to perform the role and responsibility of a Chief Operating Officer on a contractual basis.

CFSIC’s final choice of the firm to provide superintendent services is contingent upon a number of factors; however, of utmost importance will be your firm’s ability to provide outsourced/organized services in the furtherance of the statutory mission of CFSIC as laid out in its enabling legislation (Attachment A).

Enclosed you will find specifications for this RFP. You should carefully review these specifications and, if your firm is interested in providing a proposal, please indicate your interest and provide us with any questions that you may have or request for any additional information that you require. Should your firm have no interest in responding, please let us know that as well. All responses, requests and questions must be submitted in writing by email.

We ask that you refrain from communicating, either directly or indirectly, with anyone associated with the organization of CFSIC, including its Incorporators and its Board of Directors, concerning this RFP and/or requests for additional information. All requests for information should be directed exclusively to CFSICLLC@gmail.com.

RFP Submission

We require that we receive an electronic copy of your written proposal for services by no later than 5:00 PM EST on March 9, 2018. We ask you to note that we will not accept hard copy proposals and will not accept personal delivery at our office of any proposals or supplementary information.

Late responses will NOT be considered and will be returned, unopened, to the respondent. Partial or incomplete responses will be rejected. The response must contain the signature of a duly authorized officer of the respondent, empowered with the legal authority to bind the respondent. CFSIC reserves the right to reject any or all responses to this RFP and to waive any irregularities, technicalities, or omissions therein. CFSIC also reserves the right to reject any proposal it deems not in the best interest of CFSIC.

If your proposal is acceptable at the written document stage, you will be asked to present your proposal and to more fully explain your services and capabilities in person on March 26, 2018 in Hartford, Connecticut. Should you be chosen as a finalist, March 26, 2018 will be the only date

on which your presentation can be made. Therefore, to the extent your firm has an interest in participating, we would ask that you note that date in your calendar now.

If additional information is required by the respondent for the purpose of interpretation of items in this RFP, respondent shall submit questions by e-mail to CFSICLLC@gmail.com

All cost incurred in preparing the response to this RFP shall be the sole responsibility of the respondent. All materials and documents submitted by respondents in response to this RFP become the property of CFSIC and shall not be returned to the respondents.

RFP Timeline

Should you wish to participate in this request for proposal (“RFP”), we ask that you consider the following timetable for deliverables and for the decision-making process.

Date	Deliverable or Decision
February 12, 2018	Release of RFP
February 23, 2018	Questions due in writing by 3:00 PM EST to Incorporators at: CFSICLLC@gmail.com
March 2, 2018	Answers to all questions received will be shared with all firms expressing intent to respond
March 9, 2018	Written RFP response due by 5:00 PM EST
March 16, 2018	Notification of finalist status
March 26, 2018	Finalist presentations
April 2, 2018	Decision announced

Using the schedule noted above, it would be our intention to select a Superintendent and have a services agreement in place by no later than April 9, 2018, in order to accomplish CFSIC’s goal of full implementation on or before June 1, 2018.

As you review this RFP and consider your response, please let us know if we can provide you with any additional information. We look forward to the possibility of receiving your proposal.

Sincerely,

The Incorporators, CFSIC, LLC

Scope of Services/ Specifications

CFSIC intends to contract with a vendor to provide consulting services in the fulfillment of the role of Superintendent of CFSIC as outlined in this RFP.

Proposers are encouraged to offer concepts that will save money and provide superior service to CFSIC.

Overview

Goals and Objectives

Upon due consideration, it has been decided that the first step in providing needed remedial relief to homeowners is to organize CFSIC as a Connecticut-based domestic captive insurance company, where claims may be brought by affected homeowners and where those claims involving “crumbling foundations” matters can be objectively and effectively adjusted, providing partial payment of affected foundations according to the terms and conditions of appropriate underwriting guidelines, yet to be established.

Once selected and when the Board of Directors of CFSIC is organized the firm selected to provide the services of Superintendent will report to the Board. Under the direction of the Board of Directors of CFSIC, the Superintendent will:

1. Create and file a business plan for the formation of CFSIC, with the Connecticut Insurance Department within 45 days of engagement;
2. Identify all needed service providers, supervise an RFP for these providers, and assist the Board of CFSIC in the service provider process;
3. Create a budget for the first 12 months of operation, inclusive of all expense and supporting the prudent management of CFSIC’s resources;
4. Oversee the implementation of CFSIC and have the insurance company operational and able to begin the adjustment process within 90 days of the contract.

The decision has been made that CFSIC will have no employees. It will outsource all needed and appropriate services to professionals skilled in all areas of captive insurance management. With the exception of the audit firm chosen, all service providers will report to the Superintendent.

The firm chosen to provide Superintendent Services must have the following general qualifications:

- the firm chosen must have significant experience in the oversight of captive insurance company management, inclusive of underwriting, claims management, accounting, and administration; or have the ability to outsource some of these attributes to other reliable parties.
- the firm chosen must have the ability to quickly organize CFSIC and serve as liaison to all service providers, creating a smooth and effective captive administration process aimed solely at serving CFSIC’s mission and purpose;
- the firm chosen must have the ability to effectively represent CFSIC’s aims and goals to a broad array of constituents, including affected homeowners, legislators, the public media, and others;

- the firm chosen must have no conflicts of interest with respect to the provision of any other services CFSIC requires, including accounting, claims management, auditing, and administration.

The Superintendent function requires a firm willing to dedicate a significant amount of time to the overall management and guidance of CFSIC, and be able to move quickly and efficiently to provide the Connecticut Insurance Department with a Plan of Operation that can be approved by the Commissioner.

General Conditions

Cancellation

Should the vendor fail to meet the requirements of the Contract after it is executed, CFSIC may cancel the Contract at once and award the remainder of the contract term to the next qualified vendor. If the Contract is cancelled, all material provided to Contractor shall be returned to CFSIC.

Term of Contract

The initial term of the Contract for consulting services in the fulfillment of the role of Superintendent of CFSIC will be for a period of one (1) year commencing on the start date of the Contract with a four (4) year extension as approved by the Board of Directors on the one-year anniversary of the contract. Additionally, there will be three, one (1) year renewal periods after the five year contract expires. CFSIC reserves the right to modify the length of the term at its discretion.

Termination of Contract

CFSIC may, at any time upon thirty (30) days written notice to Superintendent specifying the effective date of termination, terminate the Contract, in whole or in part, when CFSIC deems it to be in the best interest of CFSIC. If CFSIC terminates the Contract, CFSIC shall be liable under the payment provision of the Contract only for payment for services rendered and expenses incurred before the effective date of the termination. Superintendent may terminate the Contract upon thirty (30) days written notice to CFSIC if CFSIC is in material breach of the Contract and fails to cure the breach before the end of the thirty (30) day period. If the Contract is terminated prior to Vendor's completion of the services to be performed hereunder, then all finished and unfinished documents or other materials prepared or obtained by Superintendent pursuant to the Contract shall become the property of CFSIC. If the Contract is terminated prior to Superintendent's completion of the services to be performed, Superintendent shall return to CFSIC any sums paid in advance by CFSIC for services that would otherwise have had to be rendered between the effective date of the termination and the original ending date of the Contract.

Payment and Billing Requirements

Invoices for payment related to the Contract covered under this agreement shall be presented monthly. Any additional or non-standard charges must first be approved by CFSIC and include adequate support for payment.

Response Structure

To enable CFSIC to evaluate each response in a uniform manner, all respondents shall structure their response in conformance with this section.

Cover Letter Referencing this RFP

Respondent are to must submit a cover letter containing the name and address of the corporation or business submitting the proposal. The cover letter shall contain the title and signature of a duly authorized officer who is empowered with the authority to represent and bind the respondent.

Company Information

Name: The name under which the respondent is licensed to do business.

Address: The address of the respondent's headquarters office.

Local Address: The address of the respondent's local office, if different from the headquarters address.

Company Officers: Names, titles and telephone numbers of company officers.

Company Contact: Name, title, telephone number and email address of the Company contact for purpose of this RFP.

RFP Specifications

Provide your detailed response to the RFP Specifications found in Attachment B.

Selection Process

Responses are solicited from all firms that wish to be considered for the services outlined in the Request for Proposal document. CFSIC will make the selection from the information contained in the responses to the Request for Proposals submitted by the due date, and additional information, if needed from interviews with the short-listed firms. All parties are encouraged to respond in depth with statements containing specific experience and qualifications related to this request in the format described herein.

Evaluation Criteria

The RFP will be graded using the evaluation matrix as shown in Attachment C.

Presentations by Finalists:

Presentations are scheduled for March 26, 2018. Finalist respondents will be notified not later than March 16, 2018 regarding the time and location for their respective presentation.

Presentations will last 75 minutes. The time allows for 45 minutes for presentation, and 30 minutes of questions and answers.

The purpose of the interviews is to meet your proposed project team, become familiar with key personnel, and understand the project approach and ability to meet the stated objectives for this RFP.

The final selection will be announced by April 2, 2018.

Attachment A- Enabling Legislation

Sec. 333. (*Effective from passage*) Notwithstanding the provisions of subsections (a) and (b) of section 2-36b of the general statutes: (1) The joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and finance, revenue and bonding shall not be required to meet on or before November 30, 2017, with the Secretary of the Office of Policy and Management, the director of the Office of Fiscal Analysis and such other persons as they deem appropriate as specified in said subsection (a), and (2) the Secretary of the Office of Policy and Management and the director of the Office of Fiscal Analysis shall not be required to submit to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and finance, revenue and bonding, on or before November 15, 2017, the items specified in said subsection (b).

Sec. 334. (NEW) (*Effective from passage*) For purposes of sections 7-374b and 12-701 of the general statutes and sections 335 to 337, inclusive, 342 to 344, inclusive, 346 and 347 of this act, "residential building" means a one-family, two-family, three-family or four-family dwelling including, but not limited to, a condominium unit or dwelling in a planned unit development.

Sec. 335. (NEW) (*Effective from passage*) (a) There is established an account to be known as the "Crumbling Foundations Assistance Fund" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account and any voluntary contributions. Moneys in the account shall be made available to incorporate the captive insurance company established pursuant to section 336 of this act. Moneys in the account shall be transferred to such captive insurance company upon licensure by the Insurance Department. Voluntary contributions to the fund shall be deemed to be given for the purpose of providing financial assistance to owners of residential buildings for the repair or replacement of concrete foundations of such buildings that have deteriorated due to the presence of pyrrhotite and to minimize any negative impact on the economies of municipalities in which such residential buildings are located. No such contributions shall be further restricted by the donor or used by the captive insurance company for any other purposes. The captive insurance company shall not return any portion of such contributions to any donor. Any bond proceeds deposited into the fund shall be kept separate from any and all other funds deposited into the fund.

(b) The Department of Housing may apply for, receive and administer any federal funds, including, but not limited to, funds made available by the United States Department of Housing and Urban Development Section 108 Loan Guarantee program to assist owners of residential buildings having concrete foundations that have deteriorated due to the presence of pyrrhotite. All such federal funds received with the intent of assisting owners of residential buildings having concrete foundations that have deteriorated due to the presence of pyrrhotite shall be deposited into the Crumbling Foundations Assistance Fund established pursuant to subsection (a) of this section.

Sec. 336. (NEW) (*Effective from passage*) (a) A captive insurance company shall be established by the incorporators described in this subsection, as a not-for-profit entity, in accordance with the provisions of sections 38a-91aa to 38a-91tt, inclusive, of the general statutes, for the public purpose of providing assistance to owners of residential buildings with concrete foundations that have deteriorated due to the presence of pyrrhotite, where such assistance ensures that any such foundation will be repaired or replaced and where such assistance is intended to provide

any such owner with a structurally sound concrete foundation by arranging and approving a financial package that achieves full repair or replacement of such foundation with the lowest possible amount of borrowed funds. There shall be five incorporators of such captive insurance company, who shall be appointed in the following manner: One by the Governor, one by the speaker, one by the minority leader of the House of Representatives, one by the president pro tempore and one by the Republican president pro tempore of the Senate. The incorporators, in their discretion, may appoint other individuals to form an organizing committee. The speaker, the minority leader of the House of Representatives, the president pro tempore and the Republican president pro tempore of the Senate shall each appoint a member of the General Assembly as a nonvoting, ex-officio member of the organizing committee. Thirty days after the effective date of this section, if no appointments have been made by the speaker and minority leader of the House of Representatives or by the president pro tempore and Republican president pro tempore of the Senate, the Governor shall make such appointments in order to fulfill the obligations of this section.

(b) In addition to any other requirements imposed by law applicable to captive insurance companies, the captive insurance company established pursuant to this section shall:

(1) Upon request of the joint standing committees of the General Assembly having cognizance of matters relating to planning and development, public safety and housing, or the Governor, make recommendations regarding the expansion of eligibility for financial assistance pursuant to this section and modifications to improve the efficiency and operation of the captive insurance company in order to serve its public purpose;

(2) Establish a board of directors who shall serve in a volunteer capacity. The membership of the board shall include, but need not be limited to, a real estate agent or broker, two owners of residential buildings who have concrete foundations that have deteriorated due to the presence of pyrrhotite, a chief executive or such chief executive's designee of a municipality in which residential buildings with concrete foundations that have deteriorated due to the presence of pyrrhotite are located, an individual with professional investment experience and currently registered as an investment adviser pursuant to title 36b of the general statutes, the executive directors of the Capitol Region Council of Governments and the Eastern Region Council of Governments or such executive directors' designees and representatives from the insurance and banking industries, who shall not have professional relationships with any bank or insurance company that has a financial interest in residential buildings subject to the provisions of sections 335 to 337, inclusive, 342 to 344, inclusive, 346 and 347 of this act. The speaker, the minority leader of the House of Representatives, the president pro tempore of the Senate and the Senate Republican president pro tempore shall each appoint a member of the General Assembly as a nonvoting, ex-officio member of the board of directors;

(3) Develop eligibility requirements and underwriting guidelines for financial assistance for repair or replacement of concrete foundations. Such requirements and guidelines shall, not later than thirty days prior to their adoption, amendment or modification, be published on a public Internet web site maintained by the captive insurance company;

(4) Develop in coordination with the Department of Housing, Connecticut Housing Finance Authority and participating lenders in the Collapsing Foundations Credit Enhancements Program, established pursuant to section 337 of this act, a single, unified application for owners of residential buildings to apply for all financial assistance available pursuant to this section and sections 337 and 343 of this act;

(5) Provide financial assistance to such owners of residential buildings for the repair or replacement of concrete foundations that have deteriorated due to the presence of pyrrhotite, including, but not limited to, financial reimbursement to homeowners who have had such repair or replacement performed prior to the effective date of this section;

(6) Assist such owners of residential buildings to obtain additional financing necessary to fully fund the repair or replacement of concrete foundations that have deteriorated due to the presence of pyrrhotite;

(7) Approve contractors or other vendors for eligibility to perform foundation repairs or replacements on behalf of claimants;

(8) Disburse such financial assistance to approved contractors or other vendors on behalf of claimants;

(9) Ensure that the financial assistance is used solely for costs of repairing and replacing concrete foundations that have deteriorated due to the presence of pyrrhotite;

(10) Require the disclosure of the amount of all financial compensation received by an owner of such a residential building, if any, arising out of a claim for coverage under the property coverage provisions of the homeowners policy for foundation deterioration due to the presence of pyrrhotite and ensure that such amount is considered when determining the amount of financial assistance offered to such owner;

(11) When appropriate, apply for, qualify for and receive any federal funds made available under any federal act, for assistance to owners of residential buildings and residential condominium units having concrete foundations that have deteriorated due to the presence of pyrrhotite. To the extent permissible under federal law, all such federal funds shall be deposited into the Crumbling Foundations Assistance Fund established pursuant to section 335 of this act; and

(12) Enter into agreements, as necessary, with the Connecticut Housing Finance Authority and any participating lender, as defined in section 337 of this act, to develop and implement additional loan programs or financial products to assist such owners to repair or replace concrete foundations that have deteriorated due to the presence of pyrrhotite, while employing terms and conditions that are preferable to the open market.

(c) Such captive insurance company may, subject to the provisions of this section, do all things necessary and desirable in its discretion to accomplish its purposes, including hiring employees and contracting for administrative or operational services, and entering into agreements with the Connecticut Housing Finance Authority created pursuant to section 8-244 of the general statutes and any participating lender, as defined in section 337 of this act, to develop and implement additional loan programs or financial products that will assist owners of residential buildings to repair or replace concrete foundations that have deteriorated due to the presence of pyrrhotite on terms and conditions that are preferable to the open market. Not more than ten per cent of all moneys allocated or made available to the captive insurance company in any calendar year shall be used for administrative or operational costs.

(d) Employees and agents of the captive insurance company shall not be deemed state employees, except that employees and directors shall be subject to the provisions of sections 1-84, 1-84a, 1-84b, 1-85 and 1-86 of the general statutes. Any agent, consultant or contractor of

the captive insurance company shall be subject to the provisions of sections 1-86e and 1-101nn of the general statutes. The Office of State Ethics shall have the authority to enforce the provisions of this subsection.

(e) Notwithstanding sections 38a-11 and 38a-91bb of the general statutes, the captive insurance company shall not be required to pay a license fee for the first year of licensure or a renewal fee for any year thereafter, as set forth in said sections.

(f) In addition to any report required to be filed by not-for-profit entities generally under regulations of the Internal Revenue Service, the captive insurance company shall submit quarterly reports to the joint standing committees of the General Assembly having cognizance of matters relating to insurance, finance, planning and development, housing and public safety on its operation and financial condition. Such quarterly reports shall include, but need not be limited to, information concerning: (1) Moneys allocated or made available to it pursuant to this section, (2) total financial assistance and financial assistance, by town, provided to owners of such residential buildings pursuant to this section, (3) administrative and operational expenditures, (4) the total number and number, by town, of applications for assistance received during the quarter and to date, (5) the total number and number, by town, of applications for assistance granted during the quarter and to date, (6) the average time to process applications, and (7) the total number and number, by town, of applications pending and amount of such claims.

(g) The joint standing committees of the General Assembly having cognizance of matters relating to insurance, finance, planning and development, housing and public safety shall, not less than annually, hold a joint public hearing on the operation and financial condition of the captive insurance company.

(h) A decision on an application for assistance pursuant to this section shall be made in writing and provided to the homeowner and shall include the information relied upon and the basis for such decision, including the relevant eligibility and underwriting criteria. An owner of such a residential building may request a review of any decision by the captive insurance company relating to such homeowner not later than thirty days after the decision. A final determination on such a request for review shall be made in writing and provided to the homeowner not later than thirty days after receipt of the homeowner's request, unless an extension is agreed to by the homeowner. The final determination shall be subject to approval by the board of directors. There shall be no right to appeal such final determination.

(i) The captive insurance company shall continue until June 30, 2022, or until its existence is terminated by law. Upon the termination of the existence of the company, all its right and properties shall pass to and be vested in the state of Connecticut.

Sec. 337. (NEW) (*Effective from passage*) (a) For the purposes of this section:

(1) "Eligible borrower" means the owner of a residential building;

(2) "Participating lender" means a depository bank or credit union that participates in the Collapsing Foundations Credit Enhancements Program established pursuant to this section; and

(3) "Qualifying loan" means any loan provided to an eligible borrower for the purpose of repairing or replacing a concrete foundation that has deteriorated due to the presence of

pyrrhotite and (A) is issued by a participating lender, (B) is subject to the underwriting standards established by the participating lender, (C) carries a rate of interest in accordance with subsection (b) of this section, and (D) is made pursuant to the Collapsing Foundations Credit Enhancements Program.

(b) There is established a Collapsing Foundations Credit Enhancements Program, administered by the Connecticut Housing Finance Authority, for the purpose of assisting eligible borrowers to obtain necessary funding for replacement or repair of concrete foundations that have deteriorated due to the presence of pyrrhotite. The program shall, among other efforts, make one or more financial products or credit enhancements available, including, but not limited to, loan guarantees that may enable participating lenders to make qualifying loans with loan-to-value ratios in excess of regulatory standards. To participate in the program, the participating lender shall offer a qualifying loan with an interest rate that is not less than one-half of one percentage point below the interest rate that is otherwise available to the eligible borrower based on the creditworthiness of such eligible borrower.

(c) The Connecticut Housing Finance Authority shall seek the participation of banks and credit unions in the Collapsing Foundations Credit Enhancements Program and shall develop the terms, conditions and standards for such program, in consultation with the Lieutenant Governor and representatives of the banking and credit union industries, not later than thirty days before the program, or any phase of the program, is made available to eligible borrowers. The terms, conditions and standards that are developed shall identify the necessary form of inspection or testing to verify that the eligible borrower's foundation has deteriorated due to the presence of pyrrhotite and the terms and conditions of any financial product or credit enhancement that may be made available pursuant to the program, taking into account the funding that may be necessary to support such financial product or credit enhancement. The program may be launched in phases and shall permit a participating lender to make a qualifying loan with or without utilizing any other financial products or credit enhancements developed pursuant to such program.

(d) The Connecticut Housing Finance Authority shall publish a plain language summary of such program and the borrower eligibility requirements on the Internet web site of the authority not later than fifteen days before such program, or any phase of such program, is made available to property owners.

Sec. 338. (NEW) (*Effective from passage*) (a) On and after the effective date of this section, no person shall reuse any part of recycled material known to contain the mineral pyrrhotite to produce structural concrete for residential or commercial construction, unless such reuse is consistent with the standard established pursuant to section 346 of this act.

(b) A violation of subsection (a) of this section shall be an unfair or deceptive act or practice pursuant to subsection (a) of section 42-110b of the general statutes.

Sec. 339. Section 29-263 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Except as provided in subsection (h) of section 29-252a and the State Building Code adopted pursuant to subsection (a) of section 29-252, after October 1, 1970, no building or structure shall be constructed or altered until an application has been filed with the building official and a permit issued. Such permit shall be issued or refused, in whole or in part, within

thirty days after the date of an application. No permit shall be issued except upon application of the owner of the premises affected or the owner's authorized agent. No permit shall be issued to a contractor who is required to be registered pursuant to chapter 400, for work to be performed by such contractor, unless the name, business address and Department of Consumer Protection registration number of such contractor is clearly marked on the application for the permit, and the contractor has presented such contractor's certificate of registration as a home improvement contractor. Prior to the issuance of a permit and within said thirty-day period, the building official shall review the plans of buildings or structures to be constructed or altered, including, but not limited to, plans prepared by an architect licensed pursuant to chapter 390, a professional engineer licensed pursuant to chapter 391 or an interior designer registered pursuant to chapter 396a acting within the scope of such license or registration, to determine their compliance with the requirements of the State Building Code and, where applicable, the local fire marshal shall review such plans to determine their compliance with the Fire Safety Code. Such plans submitted for review shall be in substantial compliance with the provisions of the State Building Code and, where applicable, with the provisions of the Fire Safety Code.

(b) On and after July 1, 1999, the building official shall assess an education fee on each building permit application. During the fiscal year commencing July 1, 1999, the amount of such fee shall be sixteen cents per one thousand dollars of construction value as declared on the building permit application and the building official shall remit such fees quarterly to the Department of Administrative Services, for deposit in the General Fund. Upon deposit in the General Fund, the amount of such fees shall be credited to the appropriation to the Department of Administrative Services and shall be used for the code training and educational programs established pursuant to section 29-251c and the educational programs required in subsections (a) and (b) of section 29-262. On and after July 1, 2000, the assessment shall be made in accordance with regulations adopted pursuant to subsection (d) of section 29-251c. All fees collected pursuant to this subsection shall be maintained in a separate account by the local building department. During the fiscal year commencing July 1, 1999, the local building department may retain two per cent of such fees for administrative costs incurred in collecting such fees and maintaining such account. On and after July 1, 2000, the portion of such fees which may be retained by a local building department shall be determined in accordance with regulations adopted pursuant to subsection (d) of section 29-251c. No building official shall assess such education fee on a building permit application to repair or replace a concrete foundation that has deteriorated due to the presence of pyrrhotite.

(c) Any municipality may, by ordinance adopted by its legislative body, exempt Class I renewable energy source projects from payment of building permit fees imposed by the municipality.

(d) Notwithstanding any municipal charter, home rule ordinance or special act, no municipality shall collect an application fee on a building permit application to repair or replace a concrete foundation that has deteriorated due to the presence of pyrrhotite.

Sec. 340. Subsection (d) of section 20-327b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) (1) Not later than January 1, 2013, the Commissioner of Consumer Protection shall, by regulations adopted in accordance with the provisions of chapter 54, prescribe the form of the written residential disclosure report required by this section and sections 20-327c to 20-327e, inclusive. The regulations shall provide that the form include information concerning:

(D) A statement that any representations made by the seller on the written residential disclosure report shall not constitute a warranty to the buyer.

(E) A statement that the written residential disclosure report is not a substitute for inspections, tests and other methods of determining the physical condition of property.

(F) Information concerning environmental matters such as lead, radon, subsurface sewage disposal, flood hazards and, if the residence is or will be served by well water, as defined in section 21a-150, the results of any water test performed for volatile organic compounds and such other topics as the Commissioner of Consumer Protection may determine would be of interest to a buyer.

(G) A statement that information concerning the residence address of a person convicted of a crime may be available from law enforcement agencies or the Department of Emergency Services and Public Protection and that the Department of Emergency Services and Public Protection maintains a site on the Internet listing information about the residence address of persons required to register under section 54-251, 54-252, 54-253 or 54-254, who have so registered.

(H) If the property is located in a common interest community, whether the property is subject to any community or association dues or fees.

(I) Whether, during the seller's period of ownership, there is or has ever been an underground storage tank located on the property, and, if there is or was, if it has been removed. If such underground storage tank has been removed, such seller shall state when it was removed, who removed it and shall provide any and all written documentation of such removal within the seller's possession and control.

(J) A statement that the prospective purchaser should consult with the municipal building official in the municipality in which the property is located to confirm that building permits and certificates of occupancy have been issued for work on the property, where applicable.

(K) A statement that the prospective purchaser should have the property inspected by a licensed home inspector.

(L) If the foundation of the property is made of concrete, a statement that the prospective purchaser should have the foundation inspected by a professional engineer licensed pursuant to chapter 391 who is a structural engineer, for deterioration of the foundation due to the presence of pyrrhotite.

(M) A question as to whether the seller has knowledge of any testing or inspection done by a licensed professional related to a foundation on the property.

(N) A question as to whether the seller has knowledge of any repairs related to a foundation on the property.

[(L)] (O) A question as to whether the seller is aware of any prior or pending litigation, government agency or administrative action, order or lien on the premises related to the release of any hazardous substance.

[(M)] (P) Whether there are smoke detectors and carbon monoxide detectors located in a dwelling on the premises, the number of such detectors, whether there have been any problems with such detectors and an explanation of any such problems.

Sec. 341. (NEW) (*Effective from passage and applicable to policies issued, renewed or in effect on or after said date*) (a) For the purposes of this section, "personal risk insurance" means homeowners, tenants, mobile manufactured home and other property and casualty insurance for personal, family or household needs except workers' compensation and automobile insurance.

(b) Any policy of personal risk insurance, master policy obtained pursuant to section 47-83 of the general statutes or property insurance policy maintained pursuant to section 47-255 of the general statutes shall allow suit against the insurer not later than one year after the date the insured receives written denial for all or any part of a claim under the property coverage provisions of the policy for foundation deterioration due to the presence of pyrrhotite.

Sec. 342. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage and applicable to taxable years commencing on and after January 1, 2017*):

(B) There shall be subtracted therefrom (i) to the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law, (ii) to the extent allowable under section 12-718, exempt dividends paid by a regulated investment company, (iii) the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia, to the extent properly includable in gross income for federal income tax purposes, (iv) to the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad retirement benefits, (v) to the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code, as provided by Section 101 of the Job Creation and Worker Assistance Act of 2002, for property placed in service after December 31, 2001, but prior to September 10, 2004, was added to federal adjusted gross income pursuant to subparagraph (A)(ix) of this subdivision in computing Connecticut adjusted gross income for a taxable year ending after December 31, 2001, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years, (vi) to the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, (vii) to the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized, (viii) any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual, (ix) ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation

under this chapter but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual, (x) (I) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and (II) for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code, (xi) to the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to section 12-746, (xii) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiii) to the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, (xiv) to the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim, (xv) to the extent properly includable in gross income for federal income tax purposes of an account holder, as defined in section 31-51ww, interest earned on funds deposited in the individual development account, as defined in section 31-51ww, of such account holder, (xvi) to the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 3-123aa, interest, dividends or capital gains earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 3-123aa to 3-123ff, inclusive, (xvii) to the extent properly includable in gross income for federal income tax purposes, any income received from the United States government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, or (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code, (xviii) to the extent properly includable in gross income for federal income tax purposes for the taxable year, any income from the discharge of indebtedness in connection with any reacquisition, after December 31, 2008, and before January 1, 2011, of an applicable debt instrument or instruments, as those terms are defined in Section 108 of the Internal Revenue Code, as amended by Section 1231 of the

American Recovery and Reinvestment Act of 2009, to the extent any such income was added to federal adjusted gross income pursuant to subparagraph (A)(xi) of this subdivision in computing Connecticut adjusted gross income for a preceding taxable year, (xix) to the extent not deductible in determining federal adjusted gross income, the amount of any contribution to a manufacturing reinvestment account established pursuant to section 32-9zz in the taxable year that such contribution is made, [and] (xx) to the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2015, ten per cent of the income received from the state teachers' retirement system, for the taxable year commencing January 1, 2016, twenty-five per cent of the income received from the state teachers' retirement system, and for the taxable year commencing January 1, 2017, and each taxable year thereafter, fifty per cent of the income received from the state teachers' retirement system, and (xxi) to the extent properly includable in gross income for federal income tax purposes, the amount of any financial assistance received from the Crumbling Foundations Assistance Fund or paid to or on behalf of the owner of a residential building pursuant to sections 337 and 343 of this act.

Sec. 343. (NEW) (*Effective from passage*) (a) Two or more municipalities may, subject to the provisions of section 10a-185 of the general statutes and chapter 187 of the general statutes and the approval of the legislative body of each such municipality, jointly borrow from any source for the purpose of paying for all or part of the cost of any project entered into jointly to abate a deleterious condition on real property that, if left unabated, would cause the collapse of a concrete foundation due to the presence of pyrrhotite and damage the housing stock in such participating municipalities to such an extent that a negative impact on such participating municipalities' economies would result.

(b) In addition to the powers enumerated in section 7-148 of the general statutes, any two or more municipalities who jointly borrow pursuant to subsection (a) of this section may enter into an agreement with the captive insurance company established pursuant to section 336 of this act, or any participating lender, as defined in section 337 of this act, to jointly or otherwise provide financial assistance to owners of residential buildings with concrete foundations that have deteriorated due to the presence of pyrrhotite.

Sec. 344. Section 7-374b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) A municipality, as defined in section 7-369, and any regional school district, may authorize the issuance of bonds, notes or other obligations in accordance with the provisions of this chapter for the purpose of funding a judgment, a compromised or settled claim against it or an award or sum payable by it pursuant to a determination by a court, or an officer, body or agency acting in an administrative or quasi-judicial capacity, other than an award or sum arising out of an employment contract, in any case in which the amount of such judgment, claim, award or sum exceeds five per cent of the total annual receipts from taxation, as computed for the purposes of subsection (b) of section 7-374 or subsection (b) of section 10-56, as applicable, or two hundred fifty thousand dollars, whichever is less, provided that the last principal installment of such bonds, notes or other obligations shall mature no later than twenty years from the date of original issue of such bonds, notes or other obligations issued for such purposes. The temporary borrowing periods provided by sections 7-378 and 7-378a shall apply to the computation of the maximum maturity permitted by this section. This section shall not be applicable to the issuance of bonds, notes or other obligations to fund judgments, settlements, awards or sums payable in connection with construction projects.

(b) Any municipality may authorize the issuance of bonds, notes or other obligations in accordance with the provisions of this chapter for the [purpose] purposes of (1) funding a reserve fund for property or casualty losses established pursuant to section 7-403a, or (2) funding for all or part of the cost of any project undertaken by such municipality to abate an actual or potential deleterious condition on real property that, if left unabated, would cause the collapse of a concrete foundation of a residential building due to the presence of pyrrhotite and damage the housing stock in such municipality to such an extent that a negative impact on such municipality's economy would result.

Sec. 345. (*Effective from passage*) (a) There is established a working group to develop a model quality control plan for quarries and to study the workforce of contractors engaged in the repair and replacement of concrete foundations that have deteriorated due to the presence of pyrrhotite.

(b) The working group shall consist of the following members:

(1) Two appointed by the speaker of the House of Representatives, one of whom shall have expertise in residential home building and one of whom shall have expertise in the construction industry;

(2) Two appointed by the president pro tempore of the Senate, one of whom shall be a member of the Capitol Region Council of Governments;

(3) One appointed by the majority leader of the House of Representatives;

(4) One appointed by the majority leader of the Senate;

(5) One appointed by the minority leader of the House of Representatives; and

(6) One appointed by the minority leader of the Senate.

(c) Any member of the working group may be a member of the General Assembly.

(d) All appointments to the working group shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(e) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the working group from among the members of the working group. Such chairpersons shall schedule the first meeting of the working group, which shall be held not later than sixty days after the effective date of this section.

(f) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection shall serve as administrative staff of the working group.

(g) Not later than December 31, 2018, the working group shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to consumer protection, in accordance with the provisions of

section 11-4a of the general statutes. The working group shall terminate on the date that it submits such report or December 31, 2018, whichever is later.

Sec. 346. (NEW) (*Effective from passage*) If the federal Army Corps of Engineers, National Institute of Standards and Technology, ASTM International or other nationally recognized standards bureau establishes a standard for the presence of pyrrhotite in concrete intended for use in foundations of residential buildings and the State Building Inspector adopts such standard into the State Building Code, any person selling or offering such concrete for sale shall provide the purchaser or potential purchaser with written notice that such concrete is in compliance with such standard.

Sec. 347. (NEW) (*Effective from passage*) There shall be a special homeowner advocate within the Department of Housing. Said advocate shall be responsible for: (1) Coordinating the efforts of the state to provide assistance to owners of residential buildings with concrete foundations that have deteriorated due to the presence of pyrrhotite, (2) working with the federal government regarding any support provided by the federal government to the owners of such residential buildings, (3) advising and assisting the owners of such residential buildings in making claims for financial assistance pursuant to section 336 of this act, (4) assisting the owners of such buildings in accessing any other available assistance or support, (5) referring the owners of such residential buildings to any entity that provides assistance or support, (6) assisting in the resolution of complaints concerning the operations of the captive insurance company established pursuant to section 336 of this act, (7) filing a report, not less than annually, with the joint standing committees of the General Assembly having cognizance of matters relating to insurance, finance, planning and development, housing and public safety describing any trends in the complaints described in subdivision (6) of this section and making recommendations to improve the efficiency, fairness or operations of the captive insurance company established pursuant to section 336 of this act, and (8) testifying at any hearing held by one or more committees of the General Assembly regarding the report described in subdivision (7) of this section.

Sec. 348. (NEW) (*Effective from passage*) The Commissioner of Consumer Protection shall, in consultation with the Labor Commissioner and within available appropriations, establish a training program for contractors engaged in the repair and replacement of concrete foundations that have deteriorated due to the presence of pyrrhotite.

ATTACHMENT B- RFP Specifications

A. Background

About the Crumbling Foundations Problem

Residents in the Connecticut have reported problems with certain residential concrete foundations. Investigators concluded that the deterioration of the concrete foundations was caused by the presence of pyrrhotite in the concrete mixture used to pour the foundations. Pyrrhotite is a naturally existing mineral in stone aggregate, which is used to produce concrete. Pyrrhotite oxidizes in the presence of water and oxygen, leading to the formation of expansive mineral products, and causing concrete to deteriorate prematurely.

More than 600 homeowners have filed complaints with the CT Department of Consumer Protection, and some 30,000 homes and condominiums built in eastern and central Connecticut from the mid-1980s to 2016 could have failing foundations. Damaged homes can become unsellable and unlivable; the only known way to mend the most serious cases is to replace the foundation. The number of affected homes could rise because it takes years for the deterioration to reveal itself.

About the Enabling Legislation

The state budget includes language establishing the Crumbling Foundation Assistance Fund, which will be administered through a captive insurance company for the purpose of providing assistance to owners of residential buildings with concrete foundations that have deteriorated due to the presence of pyrrhotite. The Crumbling Foundation Assistance Fund is to be funded with \$100 million in state bonds over five years. The nonprofit captive will be licensed and regulated by the state insurance department and will, among others, include homeowners and municipal leaders on the captive's volunteer Board of Directors. The new captive will run for a term of five years, until 30 June 2022, or until its existence is terminated by law. For a full description of the enabling legislation see *Emergency Certified Bill No. 1502: An Act Concerning the State Budget for the Biennium Ending June 30, 2019, Making Appropriations Therefor, Authorizing and Adjusting Bonds of the State and Implementing Provisions of the Budget*, specifically §334-348.

The captive is intended to fairly adjudicate claims of foundation damage arising out of pyrrhotite within the concrete foundations. The captive should do so with a focus on fair treatment of all claimants regardless of damages. Ideally it should not only help pay for foundations requiring repair or replacement but find ways to mitigate and avoid further deterioration through early testing and remediation thereby reducing the ultimate aggregate total cost of claims.

The first step in providing needed remedial relief to homeowners is to organize the Connecticut-based captive insurance company as provided in the budget legislation. The captive's incorporators have met and are now seeking a Superintendent to assist in the formation of the captive.

The Superintendent will assist the incorporators and organizing committee in the formation and implementation of the captive. Once selected the Superintendent with other professional assistance will create a business plan including developing criteria for eligible homeowners, sourcing insurance services (actuarial, claims, legal counsel, captive manager, etc.) and completing the application for licensure, among other formation tasks. Eventually it will also have to enter into agreements with the Connecticut Housing Finance Authority and any participating lender to develop and implement loan programs or financial products to assist affected owners with repairs provided in the budget legislation.

Ultimately when the Board of Directors of the captive is organized, the firm selected to provide the services of Superintendent will report to the Board and the incorporators and organizing committee will appropriately be dissolved. Ultimately the Superintendent is expected to provide

operational leadership, in effect, acting as a chief operating officer or executive director once the captive is established and licensed. Further information about the role of the Superintendent can be found throughout this RFP.

B. Request for Proposal Specifications

The Superintendent will be required, at a minimum, to perform the following functions. Your RFP response should address each of these functions in writing and in the order in which they are referenced below (to the extent you require a Word version of this section in order to assist in your response, please let us know).

1. Create and file an acceptable business plan supporting the licensure of CFSIC.
2. Identify all needed services to ensure CFSIC's effective management and the accomplishment of its mission; develop a budget for approval by CFSIC's Board for the first 12 months of operation.
3. Manage and supervise the RFP process to select outsourced service providers, subject to the approval of the Board of Directors of CFSIC.
4. On an operational basis, manage and supervise the daily activities of CFSIC, inclusive of all service providers and operational functions.
5. Attend regular meetings with CFSIC's service providers as agreed upon, and special meetings as called; organize and provide operational support for the meetings of CFSIC's Board of Directors and any operating committees.
6. In conjunction with the chosen vendor providing claims management, engineering, inspection, legal auditing and adjustment services to CFSIC, establish the Crumbling Foundations claims management guidelines, policies and procedures governing the process by which these claims are forensically verified, investigated, objectively valued, and adjusted.
7. Represent CFSIC and its aims and goals to a broad constituency, inclusive of the management and supervision of CFSIC's "public face" with regard to public media.
8. Provide an annual written stewardship report to the Board of CFSIC commenting on CFSIC's operations, its budget, its effectiveness, and on its success with respect to the fulfillment of statutory requirements. This report would also describe and comment upon any objectives not fulfilled or requiring additional time to fulfill.

C. General Response Requirements

We ask that your RFP response include:

1. A complete specimen services proposal in Word format.
2. The location of your office(s) that would service CFSIC.
3. Material indicating the staff who shall be specifically assigned to the CFSIC account.

Please provide details concerning staff experience and work history.

4. At least five references, with contact names and telephone numbers, where the specific services required by this assignment have been performed for others with similar requirements. References:
5. An indication of how your firm would expect to be compensated, in concept, whether on a fixed fee basis, time and expense basis, or some combination of both. We understand that you may not know enough about the entire scope of the assignment, and the Board's expectations, to price your services accordingly, through the sunset date of CFSIC, in the context of this RFP. If your firm is deemed to be a finalist, we will provide you with whatever additional information you need in order to provide a detailed proposal inclusive of a projected fee. (We ask you to note that we will not accept any fee proposal that is based on a percentage of claims paid or a percentage of assets maintained within CFSIC. We will also not accept any proposal inclusive of a performance guarantee.)
6. A certificate of insurance evidencing (i) limits of consultants/brokers/agents E&O Liability coverage in a minimal amount of \$1 million per claim; (ii) cyber liability with a minimum limit of \$1 million; (iii) general liability for minimum limits of \$1 million per claim subject to \$1 million in the annual aggregate; (iv) workers' compensation and employers' liability at statutory limits.
7. Any additional information that you believe important and helpful to assist us in evaluating your firm and its capabilities. It is important to stress, however, that your written response will be judged based upon your firm's specific responses to the specific questions and requests in this RFP.

D. Supplemental Response Requirements

We ask that your RFP response also include your written commentary concerning the following matters:

1. Please describe your view as to how CFSIC, organized as a single-parent captive under Connecticut regulation, would operate from the standpoint of structure and governance.
2. Please describe in detail your position with regard to the need for unbundled service providers by type of service required. Please be specific about the duties and responsibilities of the various services required and how best to identify service provider capabilities.
3. With regard to the actual management, adjustment, and resolution of crumbling foundations claims, please provide your recommendations as to: (i) the outline of a claims management guideline governing the adjustment of claims, (ii) what claims management resources would be required, (iii) whether any legal resources would be required, and (iv) the specific role that the Board of Directors of CFSIC should play, in your view, in the claim adjustment oversight process.
4. Please provide, as attachments to this response, a recommended request for proposal document for captive management, engineering, inspection, accounting services, audit services, and claims management services. Expanded definition added

5. With respect to the management of the mission of CFSIC, please provide your opinion and input relative to how best to inform the public about the operations of CFSIC, and how best to assure that CFSIC's operations are understood by the media, the public, regulators, and legislators.
6. With regard to the important role and function of CFSIC's Board of Directors, please provide us with your opinions relative to the role the board should play in setting policy and supervising operations.
7. Describe in detail what would be expected to be in the board meeting packages for board members, provide detail about the items you would expect to be covered in a board meeting, and be specific about how frequently you believe the board should meet in order to provide effective management and governance.

Attachment C- CFSIC Proposal Evaluation Matrix

Step 1: Grade the various criteria outlined in the proposal. Assign points based on the range recommended.

Proposal Criteria		Points	Firm A	Firm B	Firm C	Comments
Approach to Development of CFSIC		15 points max				
	The proposal outlines a development approach that is tailored based on obtaining an understanding of the captive insurer's aims and activities.	0-5				
	The proposal indicates an approach that is tailored based on the firm's advanced understanding of the captive insurance industry.	0-5				
	The proposal outlines the firm's processes for ensuring an efficient and effective process to gain approval of CFSIC's business plan and retention of necessary external professional service providers.	0-5				
Team Knowledge and Experience		25 points max				
	The proposal highlights the firms commitment to professional training and staff continuity.	0-5				
	The proposal outlines qualifications, captive industry experience and strengths for all partners/officers.	0-5				
	The proposal specifies the strengths of assigned team members as well as their years of prior experience in the captive insurance management and type of engagements.	0-5				
	The proposal identifies how the firm will comply with applicable captive industry reporting regulations, if applicable	0-5				
	The proposal provides the firm's background, client base, licensing information if applicable and years in business.	0-5				
Unique Qualifications		15 points max				
	The proposal conveys a positive and confident feeling derived from the firm's business beliefs, communication practices and unique qualifications of which lays the foundation for a trusted relationship.	0-10				
	Preference will be given to firms with a nexus to Connecticut	0-5				

Value Added Services		10 points max					
	The proposal provides a listing of additional value added services the firm provides beyond typical captive management services. (e.g. proactively monitor and communicate topics relevant to your financial and business operations all year long that may impact your future success)	0-5					
	It is evident that the firm understands our business and our challenges. The firm is committed to being our business advisor, beyond the management of the captive insurer	0-5					
Scope and Pricing of the Engagement		25 points max					
	The proposal clearly provides a framework for the scope, timing, steps and resources to complete the development of CFSIC.	0-5					
	The proposal specifies the price for the engagement and how it will be billed.	0-5					
	The proposal specifies fees to be paid to specialists for the engagement (if any).	0-5					
	The proposal addresses all items requested by us whether verbally or in the RFP	0-5					
	The proposed fee is reasonable based on the experience, unique value and knowledge the firm brings to the engagement.	0-5					
Total Points		90	0	0	0	0	

Step 2: Based on the above grading, document your decision to award the engagement to the proposal with the highest points.