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## **OLR Bill Analysis**

### **sHB 5227**

#### ***AN ACT CONCERNING COMMERCIAL MOLD REMEDIATION AND FIRE AND CATASTROPHIC RESTORATION BUSINESSES.***

#### **SUMMARY**

This bill requires (1) commercial mold remediators to be registered with the Department of Consumer Protection (DCP) and (2) fire and catastrophic restoration businesses to be licensed by DCP.

Beginning January 1, 2027, the bill prohibits performing commercial mold remediation without a DCP registration certificate. To obtain a registration, a person must have a mold remediation certification from one of several specified organizations. Commercial mold remediators must follow certain remediation standards. A violation of these provisions is a Connecticut Unfair Trade Practices Act (CUTPA) violation (see BACKGROUND).

The bill also requires fire and catastrophic restoration businesses to be licensed by DCP. They must (1) enroll in the Corporate Emergency Access System or a similar DCP-approved system to allow employees to access restricted areas after a disaster or emergency and (2) issue employees credentials under the system.

The bill also requires employees to wear an identification badge and the system credential described above when the governor or president declares certain emergencies.

Under the bill, anyone engaging in this business without a license is subject to a fine of up to \$1,000.

EFFECTIVE DATE: October 1, 2026

#### **§§ 1-6 — MOLD REMEDIATION**

Beginning January 1, 2027, the bill requires anyone (individual or

entity) doing the following to hold a valid DCP certificate or registration: (1) performing commercial mold remediation in Connecticut for compensation; (2) using the title “mold remediator”; or (3) displaying or using any words, letters, figures, titles, signs, advertisements, or other devices to indicate that they perform commercial mediation for compensation.

Under the bill, “commercial mold remediation” is mold remediation performed in any building, or any portion of it, that is not used, or designed to be used, as a dwelling place, private residence, or residential rental property, including preventing mold or mold contamination. It does not include home improvement performed by a home improvement contractor.

Under the bill, anyone seeking to perform commercial mold remediation in Connecticut for compensation must register with DCP in a way the commissioner sets. DCP must not issue a certificate to anyone unless he or she submits proof to the commissioner’s satisfaction, that the person is certified (1) as a mold remediation specialist by the Institute of Inspection Cleaning and Restoration Certification, (2) as a mold remediator by the National Organization of Remediators and Microbial Inspectors, or (3) to perform mold remediation by any organization the commissioner approves, as long as he posts notice of the approval and the approved organization’s name on DCP’s website.

The bill requires DCP-registered commercial mold remediators to perform all commercial mold remediation in the state in accordance with the American National Standards Institute (ANSI)/IICRC S520 “Standard for Professional Mold Remediation,” or any successor or revision the commissioner approves, as long as he posts notice about the approval and the successor’s or revision’s name on DCP’s website.

The bill (1) requires the DCP commissioner to adopt regulations to implement these provisions and (2) deems violations of these provisions to be a CUTPA violation.

## **§ 7 — FIRE AND CATASTROPHIC RESTORATION**

The bill requires anyone (individual or entity) engaging in fire and catastrophic restoration work to hold an active DCP license before beginning such work. Under the bill, “fire and catastrophic restoration work” is assessing, mitigating, repairing, restoring, or reconstructing, for compensation, real or personal property in Connecticut that has been damaged or destroyed by fire, smoke, water, a natural disaster, or any other catastrophic event.

Under the bill, each applicant must submit to DCP, in the way the commissioner sets, an application for a fire and catastrophic restoration license. The application must include the information the commissioner requires to determine if the applicant is competent for the license. The initial license fee is \$150, and the renewal fee is \$100. A license expires annually from the issuance date. DCP must send or transmit to the licensee a renewal application at least 45 days before license expiration. Any applicant aggrieved by the commissioner’s decision must have an opportunity for a hearing under the Uniform Administrative Procedure Act.

The bill requires DCP to establish and maintain a publicly accessible registry of these businesses. The registry must at least include each business’s name and address, and certain disclosures for each business. This business disclosure must include whether (1) it is in good standing with DCP, or has violated any of the bill’s restoration business provisions or any other applicable law or regulation, and (2) any complaint has been filed against it, and, if so, the nature of the complaint.

The bill requires each fire and catastrophic restoration business to:

1. engage in the fire and catastrophic restoration work, and ensure that each of its employees engages in the work in a manner consistent with all relevant ANSI standards or a similar organization the DCP commissioner recognizes, as long as he posts its name on DCP’s website, and

2. enroll in the Corporate Emergency Access System, to allow certain employees to access restricted areas after a disaster or emergency, and issue standardized credentials to essential employees under the system's requirements (or use a similar system approved by the DCP commissioner, as long as he has posted its name on DCP's website).

The bill also requires the business to ensure that each employee wears an identification badge that displays the employee's and business's name and the employee's photograph. When working in an area subject to any governor-declared disaster emergency or transportation emergency, or any president-issued major disaster or emergency declaration, the business must ensure the employee also wears the standardized credentials issued to the employee as required under the bill. For both instances, the business must ensure the employee wears the identification badge in a way that is clearly visible to the public while he or she is doing fire and catastrophic restoration work for the business.

The bill requires the DCP commissioner to adopt regulations to implement these provisions.

Under the bill, anyone who engages in fire and catastrophic restoration work without an active DCP license must be fined up to \$1,000 per violation.

## **BACKGROUND**

### ***Connecticut Unfair Trade Practices Act***

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, impose civil penalties of up to \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to \$5,000 for willful violations and

up to \$25,000 for a restraining order violation.

**COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/11/2026)