



Association
assess. advise. restore.

An Act relative to the remediation of home heating oil releases - S.534



What Is The Issue?

- ▶ Nearly 750,000 Massachusetts homes heated by oil (~29% of all housing units in state)
- ▶ Most oil heat users are not covered by insurance for spills
- ▶ About 39,000 homes (~5% of those heated by oil) have specialized liquid fuel release coverage

LSPs, the LSPA, MassDEP, attorneys and others regularly hear from homeowners who are overwhelmed and desperate about how they will pay to clean up their property.

More Data On This Issue

- ▶ More than 100 reported spills from home heating oil systems every year
- ▶ Cleanup costs can range from \$20,000 to more than \$300,000
- ▶ MassDEP has documented a high percentage of residential fuel oil releases where homeowners are unable to pay
- ▶ Even though the current cost to a policyholder for spill cleanup insurance is under \$100/year, most homeowners don't have this insurance.

Why Don't More Homeowners Have This Insurance Coverage?

- ▶ Current law (*MGL c. 175, sec. 4D*) requires insurers to “*makeavailable*” insurance.
- ▶ BUT does not **require** insurers to inform homeowners about coverage or automatically include it in coverages
- ▶ Insurance options are limited and confusing
- ▶ Homeowners must actively “opt in”

The current law needs to be fixed.

The LSPA's Senate Bill 534 will fix this law.

The Existing Law Needs a Fix

One small change can fix the current loophole

- ▶ S. 534 “*An Act relative to the remediation of home heating oil releases*” reads that insurers “shall provide” coverage
- ▶ Increases coverage:
 - From \$50K to \$75K for 1st party
 - From \$200K to \$250K for 3rd party

What You Can Do

- ▶ S. 534 - Sponsored by Senator Anne Gobi, Senate Chair of the Joint Committee on Environment, Natural Resources, and Agriculture
- ▶ To be heard by Joint Committee on Financial Services - Oct. 17, 2017

- ▶ Have your advocacy organization sign onto the LSPA's letter
- ▶ Testify by letter/in person at hearing
- ▶ Help the LSPA identify homeowners who might testify
- ▶ Write your legislator, esp. if s/he is on Financial Services Committee
- ▶ Contact the LSPA at info@lspa.org or 617-977-4304
- ▶ Watch your emails; go to www.lspa.org