



**COMMONWEALTH OF MASSACHUSETTS**  
**Office of Consumer Affairs and Business Regulation**  
**DIVISION OF INSURANCE**

1000 Washington Street, Suite 810 • Boston, MA 02118 - 6200  
Telephone: (617) 521-7794 . Toll-free (877) 563-4467  
<http://www.mass.gov/doi>

**CHARLES D. BAKER**  
GOVERNOR

**KARYN E. POLITO**  
LIEUTENANT GOVERNOR


**MIKE KENNEALY**  
SECRETARY OF HOUSING AND  
ECONOMIC DEVELOPMENT

**EDWARD A. PALLESCHI**  
UNDERSECRETARY OF CONSUMER AFFAIRS  
AND BUSINESS REGULATION

**GARY D. ANDERSON**  
COMMISSIONER OF INSURANCE

**BULLETIN 2021-12**

TO: All Property and Casualty Insurers Writing Home Insurance Coverage in  
Massachusetts

FROM: Gary D. Anderson, Commissioner of Insurance 

DATE: October 6, 2021

RE: Crumbling Foundations Due to High Concentrations of Pyrrhotite in Home  
Construction

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It has come to the Division of Insurance's (the "Division") attention that a number of Massachusetts homeowners are concerned that they may have home foundations that are crumbling or otherwise deteriorating, due to high concentrations of pyrrhotite in their foundations and that this may impact their ability to obtain a home insurance policy going forward. The Division is issuing Bulletin 2021-12 to clarify its expectations about home insurance for those who may have pyrrhotite in their home's foundation.

**Background**

Beginning in the early 1980s, stone aggregate processed to produce concrete used in the construction of homes, primarily in Connecticut and western Massachusetts, was sourced from a quarry containing significant amounts of pyrrhotite, a naturally occurring iron sulfide mineral. Studies have subsequently demonstrated that pyrrhotite expands when exposed to water and oxygen. Concrete foundations with high concentrations of pyrrhotite may develop cracks and gaps that expand over time, impacting the attached structure and causing the concrete to crumble. Several towns in western Massachusetts are potentially affected by these crumbling concrete foundations.

**Underwriting**

To ensure the stability of the home insurance market, this Bulletin is being issued to make sure that homeowners will not lose their existing home insurance policy due to any concern that their home has or is suspected to have pyrrhotite in its foundation. It is the Division's expectation that insurers not cancel and not non-renew any Massachusetts home insurance policy due solely to the presence or suspicion of a foundation crumbling due to pyrrhotite in its construction.

The Division would also not find it reasonable for a carrier to change a policyholder's rating classifications or increase insurance rates solely because the policyholder is in a home that has a risk of a foundation crumbling due to pyrrhotite in its construction.

This Bulletin is not intended to make crumbling foundations a covered peril in a home insurance policy if coverage does not exist in the policy contract, but rather ensure the availability of coverage for other covered perils regardless of the presence or suspicion of a crumbling foundation caused by pyrrhotite in its construction.

The Division will continue to monitor issues related to crumbling foundations in Massachusetts. Questions regarding this Bulletin, or other issues related to crumbling foundations, should be directed to Matthew M. Mancini, Director of the State Rating Bureau at (617) 521-7459 or at [matthew.mancini@mass.gov](mailto:matthew.mancini@mass.gov).