



General Assembly

January Session, 2007

**Amendment**

LCO No. 7436

**\*SB0110107436SD0\***

Offered by:

SEN. CRISCO, 17<sup>th</sup> Dist.

REP. O'CONNOR, 35<sup>th</sup> Dist.

To: Subst. Senate Bill No. **1101**

File No. 227

Cal. No. 247

**"AN ACT CONCERNING MOTOR VEHICLE REPAIRS."**

1 Strike everything after the enacting clause and insert the following  
2 in lieu thereof:

3 "Section 1. (NEW) (*Effective January 1, 2008*) (a) Notwithstanding the  
4 provisions of sections 6 and 7 of this act, and sections 14-65i, 38a-354  
5 and 38a-364 of the general statutes, as amended by this act, no  
6 insurance company doing business in this state, or agent or adjuster for  
7 such company shall reduce the amount of deductible or premium or  
8 offer additional warranties if the insured chooses a preferred repair  
9 facility, except as provided in (1) the insurance contract, (2) a written  
10 notice provided to the policyholder with the insurance contract, or (3)  
11 a written notice provided to the policyholder on or before the first  
12 renewal date following January 1, 2008, or following the establishment  
13 of a program providing an offer of any such reduction or warranty by  
14 the insurance company. Any insurance company that offers such  
15 additional warranties may make the same offer to third-party

16 claimants.

17 (b) No insurance company doing business in this state, or agent or  
18 adjuster for such company, shall make any misrepresentations to any  
19 insured or third-party claimant concerning the quality of work or  
20 efficiencies of any nonpreferred repair facility or the warranties offered  
21 by any such facility.

22 (c) Nothing in subsection (a) or (b) of this section shall prohibit any  
23 insurance company doing business in this state, or agent or adjuster for  
24 such company from conveying to the insured or third-party claimant  
25 or prohibit the insured or third-party claimant from receiving  
26 information concerning the obligations and benefits under the  
27 insurance contract or in a program established by the insurance  
28 company that is made uniformly available to all insureds and third-  
29 party claimants.

30 Sec. 2. (NEW) (*Effective October 1, 2007*) (a) No insurer which issues  
31 in this state automobile liability insurance policies shall be liable for  
32 supplemental charges assessed by a motor vehicle repair shop, as  
33 defined in section 14-65e of the general statutes, unless the insurer or  
34 the insurer's representative is given reasonable notice by such repair  
35 shop of the need for supplemental repairs and a period of at least three  
36 business days after receipt of notice to inspect the motor vehicle prior  
37 to the commencement of such repairs. For purposes of this subsection,  
38 "supplemental charges" means (1) charges for additional parts or labor  
39 found to be necessary by such repair shop during the course of repair  
40 work where the charges are not included in the initial estimate of the  
41 parts and labor necessary to complete the repair, or (2) any deviation  
42 by such repair shop from any initial authorization for parts or labor as  
43 prepared by the insurer or the insurer's representative that is legally  
44 liable for compensating an insured for damage to the vehicle.

45 (b) Such insurer or the insurer's representative may waive the right  
46 to inspect a motor vehicle under the provisions of this section.

47 (c) No motor vehicle repair shop that fails to comply with the

48 provisions of subsection (a) of this section may demand payment for  
49 supplemental charges from any other party.

50 Sec. 3. Section 14-64 of the general statutes is repealed and the  
51 following is substituted in lieu thereof (*Effective October 1, 2007*):

52 The commissioner may suspend or revoke the license or licenses of  
53 any licensee or impose a civil penalty of not more than one thousand  
54 dollars for each violation on any licensee or both, when, after notice  
55 and hearing, the commissioner finds that the licensee (1) has violated  
56 any provision of any statute or regulation of any state or any federal  
57 statute or regulation pertaining to its business as a licensee or has  
58 failed to comply with the terms of a final decision and order of any  
59 state department or federal agency concerning any such provision; or  
60 (2) has failed to maintain such records of transactions concerning the  
61 purchase, sale or repair of motor vehicles or major component parts, as  
62 required by such regulations as shall be adopted by the commissioner,  
63 for a period of two years after such purchase, sale or repairs, provided  
64 the records shall include the vehicle identification number and the  
65 name and address of the person from whom each vehicle or part was  
66 purchased and to whom each vehicle or part was sold, if a sale  
67 occurred; or (3) has failed to allow inspection of such records by the  
68 commissioner or the commissioner's representative during normal  
69 business hours, provided written notice stating the purpose of the  
70 inspection is furnished to the licensee, or has failed to allow inspection  
71 of such records by any representative of the Division of State Police  
72 within the Department of Public Safety or any organized local police  
73 department, which inspection may include examination of the  
74 premises to determine the accuracy of such records; or (4) has made a  
75 false statement as to the condition, prior ownership or prior use of any  
76 motor vehicle sold, exchanged, transferred, offered for sale or repaired  
77 if the licensee knew or should have known that such statement was  
78 false; or (5) is not qualified to conduct the licensed business, applying  
79 the standards of section 14-51 and the applicable regulations; or (6) has  
80 violated any provision of sections 42-221 to 42-226, inclusive; or (7) has  
81 failed to fully execute or provide the buyer with (A) an order as

82 described in section 14-62, (B) the properly assigned certificate of title,  
83 or (C) a temporary transfer or new issue of registration; or (8) has  
84 failed to deliver a motor vehicle free and clear of all liens, unless  
85 written notification is given to the buyer stating such motor vehicle  
86 shall be purchased subject to a lien; or (9) has violated any provision of  
87 sections 14-65f to 14-65j, inclusive, or section 2 of this act; or (10) has  
88 used registration number plates issued by the commissioner, in  
89 violation of the provisions and standards set forth in sections 14-59  
90 and 14-60 and the applicable regulations; or (11) has failed to secure or  
91 to account for or surrender to the commissioner on demand official  
92 registration plates or any other official materials in its custody. In  
93 addition to, or in lieu of, the imposition of any other penalties  
94 authorized by this section, the commissioner may order any such  
95 licensee to make restitution to any aggrieved customer.

96 Sec. 4. Section 14-65i of the general statutes is repealed and the  
97 following is substituted in lieu thereof (*Effective October 1, 2007*):

98 (a) Each motor vehicle repair shop shall prominently display a sign  
99 [24] twenty-four inches by [36] thirty-six inches in each area of its  
100 premises where work orders are placed by customers. The sign, which  
101 shall be in boldface type, shall read as follows:

102 THIS ESTABLISHMENT IS LICENSED WITH THE  
103 STATE DEPARTMENT OF MOTOR VEHICLES.

104 EACH CUSTOMER IS ENTITLED TO...

- 
- 105
- 106 1. A WRITTEN ESTIMATE FOR REPAIR WORK.
  - 107 2. A DETAILED INVOICE OF WORK DONE AND PARTS SUPPLIED.
  - 108 3. RETURN OF REPLACED PARTS, PROVIDED THE REQUEST IS  
109 MADE AT THE TIME WRITTEN OR ORAL AUTHORIZATION IS  
110 PROVIDED FOR WORK TO BE PERFORMED.

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111  
112 NO REPAIR WORK MAY BE UNDERTAKEN ON A VEHICLE  
113 WITHOUT THE AUTHORIZATION OF THE CUSTOMER.

114 NO CHARGES FOR REPAIR MAY BE MADE IN EXCESS OF THE  
115 WRITTEN ESTIMATE WITHOUT THE WRITTEN OR ORAL  
116 CONSENT OF THE CUSTOMER.

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117  
118 QUESTIONS CONCERNING THE ABOVE SHOULD BE DIRECTED  
119 TO THE MANAGER OF THIS REPAIR FACILITY.

120 UNRESOLVED QUESTIONS REGARDING SERVICE WORK MAY BE  
121 SUBMITTED TO:

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122  
123 DEPARTMENT OF MOTOR VEHICLES

124 DEALER REPAIR DIVISION

125 60 STATE STREET, WETHERSFIELD, CONNECTICUT

126 TELEPHONE:

127 HOURS OF OPERATION:

128 (b) Each motor vehicle repair shop shall post a sign, as required by  
129 this subsection, in each area of its premises where work orders are  
130 placed by customers. The sign shall state: (1) The hourly charge for  
131 labor; (2) the conditions, if any, under which the shop may impose  
132 charges for storage, and the amount of any such charges; and (3) the  
133 charge, if any, for a diagnosis.

134 (c) Each motor vehicle repair shop shall prominently display a sign  
135 in each area of its premises where work orders are placed by  
136 customers. The sign, which shall be in boldface type, shall read as  
137 follows:

138 THE CUSTOMER HAS THE RIGHT TO CHOOSE THE LICENSED

139 REPAIR SHOP WHERE THE DAMAGE TO HIS OR HER MOTOR  
140 VEHICLE WILL BE REPAIRED.

141 [(c)] (d) The Commissioner of Motor Vehicles shall determine the  
142 size, type face and form of the signs required by this section.

143 Sec. 5. Section 38a-364 of the general statutes is repealed and the  
144 following is substituted in lieu thereof (*Effective January 1, 2008*):

145 (a) For the purposes of sections 14-12b and 14-12c, subsection (a) of  
146 section 14-13, sections 14-213b and 14-217 and this section, "private  
147 passenger motor vehicle" shall have the same meaning as in subsection  
148 (e) of section 38a-363.

149 (b) Each insurance company which issues private passenger motor  
150 vehicle liability insurance providing the security required by sections  
151 38a-19 and 38a-363 to 38a-388, inclusive, shall issue annually to each  
152 such insured an automobile insurance identification card, in duplicate,  
153 for each insured vehicle, one of which shall be presented to the  
154 commissioner as provided in section 14-12b and the other carried in  
155 the vehicle as provided in section 14-12f. Except as provided in  
156 subsection (c), such card shall be effective for a period of one year and  
157 shall include the name of the insured and insurer, the policy number,  
158 the effective date of coverage, the year, make or model and vehicle  
159 identification number of the insured vehicle and an appropriate space  
160 wherein the insured may set forth the year, make or model and vehicle  
161 identification number of any private passenger motor vehicle that  
162 becomes covered as a result of a change in the covered vehicle during  
163 the effective period of the identification card. When an insured has five  
164 or more private passenger motor vehicles registered in this state, the  
165 insurer may use the designation "all owned vehicles" on each card in  
166 lieu of a specific vehicle description. Each such insurance company  
167 that delivers, issues for delivery or renews such private passenger  
168 motor vehicle liability insurance in this state on or after January 1,  
169 2008, shall include on such card, the following notice, printed in capital  
170 letters and boldface type:

171 NOTICE: YOU HAVE THE RIGHT TO CHOOSE THE LICENSED  
172 REPAIR SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE  
173 WILL BE REPAIRED.

174 (c) Whenever a binder for such insurance is issued by an agent, the  
175 agent shall also issue a temporary identification card, in duplicate, for  
176 each covered vehicle effective for a period of sixty days from the date  
177 on which the binder becomes effective. Such temporary cards shall  
178 include the name of the insured and insurer, the printed name and  
179 signature of the agent or authorized representative, the effective date  
180 of the binder, the policy number or, if such number is not available, the  
181 agent's code number and the year, make or model and vehicle  
182 identification number of the insured vehicle.

183 (d) The provisions of this section shall apply only to private  
184 passenger motor vehicles registered in this state.

185 Sec. 6. (NEW) (*Effective January 1, 2008*) Any appraisal or estimate  
186 for a motor vehicle physical damage claim written on behalf of an  
187 insurer shall include the following notice, printed in not less than ten-  
188 point boldface type:

189 NOTICE

190 YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR  
191 SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL  
192 BE REPAIRED.

193 Sec. 7. (NEW) (*Effective January 1, 2008*) (a) Any appraisal or estimate  
194 for a motor vehicle physical damage claim written on behalf of a motor  
195 vehicle repair shop, as defined in section 14-65e of the general statutes,  
196 shall include the following notice, printed in not less than ten-point  
197 boldface type:

198 NOTICE

199 YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR  
200 SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL

201 BE REPAIRED.

202 (b) No motor vehicle repair shop or any employee of such shop  
 203 shall make any misrepresentations to any consumer concerning (1) the  
 204 quality of work or efficiencies of any insurer's preferred repair  
 205 program or any preferred repair facility participating in such program,  
 206 or (2) the warranties offered by any such insurer in its preferred repair  
 207 program."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2008</i>	New section
Sec. 2	<i>October 1, 2007</i>	New section
Sec. 3	<i>October 1, 2007</i>	14-64
Sec. 4	<i>October 1, 2007</i>	14-65i
Sec. 5	<i>January 1, 2008</i>	38a-364
Sec. 6	<i>January 1, 2008</i>	New section
Sec. 7	<i>January 1, 2008</i>	New section