



General Assembly

February Session, 2008

**Raised Bill No. 5152**

LCO No. 828

\*00828 \_\_\_\_\_ INS\*

Referred to Committee on Insurance and Real Estate

Introduced by:  
(INS)

**AN ACT CONCERNING MOTOR VEHICLE REPAIRS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-354 of the general statutes is amended by  
2 adding subsection (c) as follows (*Effective January 1, 2009*):

3 (NEW) (c) Any appraisal or estimate for a motor vehicle physical  
4 damage claim written on behalf of an insurer shall include the  
5 following notice, printed in not less than ten-point boldface type:

6 NOTICE:

7 YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR  
8 SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL  
9 BE REPAIRED.

10 Sec. 2. Section 38a-364 of the general statutes is repealed and the  
11 following is substituted in lieu thereof (*Effective January 1, 2009*):

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

16 (b) Each insurance company which issues private passenger motor  
17 vehicle liability insurance providing the security required by sections  
18 38a-19 of the 2008 supplement to the general statutes and 38a-363 to  
19 38a-388, inclusive, shall issue annually to each such insured an  
20 automobile insurance identification card, in duplicate, for each insured  
21 vehicle, one of which shall be presented to the commissioner as  
22 provided in section 14-12b and the other carried in the vehicle as  
23 provided in section 14-12f. Except as provided in subsection (c), such  
24 card shall be effective for a period of one year and shall include the  
25 name of the insured and insurer, the policy number, the effective date  
26 of coverage, the year, make or model and vehicle identification  
27 number of the insured vehicle and an appropriate space wherein the  
28 insured may set forth the year, make or model and vehicle  
29 identification number of any private passenger motor vehicle that  
30 becomes covered as a result of a change in the covered vehicle during  
31 the effective period of the identification card. When an insured has five  
32 or more private passenger motor vehicles registered in this state, the  
33 insurer may use the designation "all owned vehicles" on each card in  
34 lieu of a specific vehicle description. Each such insurance company  
35 that delivers, issues for delivery or renews such private passenger  
36 motor vehicle liability insurance in this state on or after January 1,  
37 2009, shall include on such card, the following notice, printed in capital  
38 letters and boldface type:

39 NOTICE:

40 YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR  
41 SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL  
42 BE REPAIRED.

43 (c) Whenever a binder for such insurance is issued by an agent, the  
44 agent shall also issue a temporary identification card, in duplicate, for  
45 each covered vehicle effective for a period of sixty days from the date  
46 on which the binder becomes effective. Such temporary cards shall  
47 include the name of the insured and insurer, the printed name and

48 signature of the agent or authorized representative, the effective date  
49 of the binder, the policy number or, if such number is not available, the  
50 agent's code number and the year, make or model and vehicle  
51 identification number of the insured vehicle.

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

54 Sec. 3. Section 14-65i of the 2008 supplement to the general statutes  
55 is repealed and the following is substituted in lieu thereof (*Effective*  
56 *January 1, 2009*):

57 (a) Each motor vehicle repair shop shall prominently display a sign  
58 twenty-four inches by thirty-six inches in each area of its premises  
59 where work orders are placed by customers. The sign, which shall be  
60 in boldface type, shall read as follows:

61 THIS ESTABLISHMENT IS LICENSED WITH THE  
62 STATE DEPARTMENT OF MOTOR VEHICLES.  
63 EACH CUSTOMER IS ENTITLED TO...

64 \_\_\_\_\_

- 65 1. A WRITTEN ESTIMATE FOR REPAIR WORK.
- 66 2. A DETAILED INVOICE OF WORK DONE AND PARTS  
67 SUPPLIED.
- 68 3. RETURN OF REPLACED PARTS, PROVIDED THE REQUEST IS  
69 MADE AT THE TIME WRITTEN OR ORAL AUTHORIZATION IS  
70 PROVIDED FOR WORK TO BE PERFORMED.

71 \_\_\_\_\_

72 NO REPAIR WORK MAY BE UNDERTAKEN ON A VEHICLE  
73 WITHOUT THE AUTHORIZATION OF THE CUSTOMER.

74 NO CHARGES FOR REPAIR MAY BE MADE IN EXCESS OF THE  
75 WRITTEN ESTIMATE WITHOUT THE WRITTEN OR ORAL  
76 CONSENT OF THE CUSTOMER.

77 \_\_\_\_\_

78 QUESTIONS CONCERNING THE ABOVE SHOULD BE  
79 DIRECTED TO THE MANAGER OF THIS REPAIR FACILITY.

80 UNRESOLVED QUESTIONS REGARDING SERVICE WORK MAY  
81 BE SUBMITTED TO:

82 \_\_\_\_\_

83 DEPARTMENT OF MOTOR VEHICLES

84 DEALER REPAIR DIVISION

85 60 STATE STREET, WETHERSFIELD, CONNECTICUT

86 TELEPHONE:

87 HOURS OF OPERATION:

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

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

98

NOTICE:

99 THE CUSTOMER HAS THE RIGHT TO CHOOSE THE LICENSED

100     REPAIR SHOP WHERE THE DAMAGE TO HIS OR HER MOTOR  
101                             VEHICLE WILL BE REPAIRED.

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

104     Sec. 4. (NEW) (*Effective January 1, 2009*) Any appraisal or estimate  
105 for a motor vehicle physical damage claim written on behalf of a motor  
106 vehicle repair shop, as defined in section 14-65e of the general statutes,  
107 shall include the following notice, printed in not less than ten-point  
108 boldface type:

109   NOTICE:

110     YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR  
111     SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL  
112   BE REPAIRED.

113     Sec. 5. (NEW) (*Effective October 1, 2008*) (a) No insurer that issues  
114 automobile liability insurance policies, as defined in section 38a-341 of  
115 the general statutes, in this state shall be liable for supplemental  
116 charges assessed by a motor vehicle repair shop, as defined in section  
117 14-65e of the general statutes, unless the insurer or the insurer's  
118 representative is given reasonable notice by such repair shop of the  
119 need for supplemental repairs and a period not to exceed seventy-two  
120 business hours, as measured by the insurer's normal business hours,  
121 excluding weekends and holidays, after receipt of notice to inspect the  
122 motor vehicle prior to the commencement of such repairs. For  
123 purposes of this subsection, "supplemental charges" means (1) charges  
124 for additional parts or labor found to be necessary by such repair shop  
125 during the course of repair work where the charges are not included in  
126 the initial estimate of the parts and labor necessary to complete the  
127 repair, or (2) any deviation by such repair shop from any initial  
128 authorization for parts or labor as prepared by the insurer or the  
129 insurer's representative that is legally liable for compensating an  
130 insured for damage to the vehicle.

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

133 Sec. 6. Section 14-64 of the general statutes is repealed and the  
134 following is substituted in lieu thereof (*Effective October 1, 2008*):

135 The commissioner may suspend or revoke the license or licenses of  
136 any licensee or impose a civil penalty of not more than one thousand  
137 dollars for each violation on any licensee or both, when, after notice  
138 and hearing, the commissioner finds that the licensee (1) has violated  
139 any provision of any statute or regulation of any state or any federal  
140 statute or regulation pertaining to its business as a licensee or has  
141 failed to comply with the terms of a final decision and order of any  
142 state department or federal agency concerning any such provision; or  
143 (2) has failed to maintain such records of transactions concerning the  
144 purchase, sale or repair of motor vehicles or major component parts, as  
145 required by such regulations as shall be adopted by the commissioner,  
146 for a period of two years after such purchase, sale or repairs, provided  
147 the records shall include the vehicle identification number and the  
148 name and address of the person from whom each vehicle or part was  
149 purchased and to whom each vehicle or part was sold, if a sale  
150 occurred; or (3) has failed to allow inspection of such records by the  
151 commissioner or the commissioner's representative during normal  
152 business hours, provided written notice stating the purpose of the  
153 inspection is furnished to the licensee, or has failed to allow inspection  
154 of such records by any representative of the Division of State Police  
155 within the Department of Public Safety or any organized local police  
156 department, which inspection may include examination of the  
157 premises to determine the accuracy of such records; or (4) has made a  
158 false statement as to the condition, prior ownership or prior use of any  
159 motor vehicle sold, exchanged, transferred, offered for sale or repaired  
160 if the licensee knew or should have known that such statement was  
161 false; or (5) is not qualified to conduct the licensed business, applying  
162 the standards of section 14-51 and the applicable regulations; or (6) has  
163 violated any provision of sections 42-221 to 42-226, inclusive; or (7) has

164 failed to fully execute or provide the buyer with (A) an order as  
 165 described in section 14-62 of the 2008 supplement to the general  
 166 statutes, (B) the properly assigned certificate of title, or (C) a temporary  
 167 transfer or new issue of registration; or (8) has failed to deliver a motor  
 168 vehicle free and clear of all liens, unless written notification is given to  
 169 the buyer stating such motor vehicle shall be purchased subject to a  
 170 lien; or (9) has violated any provision of sections 14-65f to 14-65j,  
 171 inclusive, or section 5 of this act; or (10) has used registration number  
 172 plates issued by the commissioner, in violation of the provisions and  
 173 standards set forth in sections 14-59 and 14-60 and the applicable  
 174 regulations; or (11) has failed to secure or to account for or surrender  
 175 to the commissioner on demand official registration plates or any other  
 176 official materials in its custody. In addition to, or in lieu of, the  
 177 imposition of any other penalties authorized by this section, the  
 178 commissioner may order any such licensee to make restitution to any  
 179 aggrieved customer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2009</i>	38a-354
Sec. 2	<i>January 1, 2009</i>	38a-364
Sec. 3	<i>January 1, 2009</i>	14-65i
Sec. 4	<i>January 1, 2009</i>	New section
Sec. 5	<i>October 1, 2008</i>	New section
Sec. 6	<i>October 1, 2008</i>	14-64

**Statement of Purpose:**

To require disclosure to consumers that they have the right to choose the repair facility to complete repairs to their motor vehicles, to require motor vehicle repair shops to provide notice to insurers of the need for supplemental repairs and to establish a time frame for insurers to inspect the motor vehicle prior to commencement of such supplemental repairs.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*