



House of Representatives

General Assembly

File No. 97

February Session, 2012

Substitute House Bill No. 5231

House of Representatives, March 26, 2012

The Committee on Insurance and Real Estate reported through REP. MEGNA of the 97th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING AUTOMOTIVE GLASS WORK.

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 Section 38a-354 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2012*):

3 (a) No [automobile] motor vehicle physical damage appraiser shall
4 require that appraisals, [or] repairs or automotive glass work should or
5 should not be made in a specified facility or repair shop or shops.

6 (b) No insurance company doing business in this state, or agent or
7 adjuster for such company shall (1) require any insured to use a
8 specific person for the provision of [automobile] motor vehicle (A)
9 physical damage repairs, [automobile] or (B) glass replacement, glass
10 repair service or glass products, or (2) state that choosing a facility
11 other than a motor vehicle repair shop or glass shop participating in a
12 motor vehicle repair or an automotive glass work program established
13 by such company will result in delays in repairing the motor vehicle or
14 glass or a lack of guarantee for repair work.

15 (c) Any appraisal or estimate for a motor vehicle physical damage
16 claim written on behalf of an [insurer] insurance company shall
17 include the following notice, printed in not less than ten-point boldface
18 type:

19 NOTICE:

20 YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR
21 SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL
22 BE REPAIRED.

23 (d) (1) If there is oral communication between an insurance
24 company doing business in this state or a third-party claims
25 administrator for such company and an insured regarding motor
26 vehicle glass replacement, glass repair service or glass products, in the
27 initial contact with the insured, the company or third-party claims
28 administrator shall state to the insured: "You have the right to choose
29 the licensed glass shop where the damage to your motor vehicle will
30 be repaired. If you have a preference, please tell us now to assist us in
31 processing your claim."

32 (2) No insurance company or third-party claims administrator for
33 such company shall provide an insured with the name of or direct an
34 insured to a motor vehicle glass shop with which the insurance
35 company or third-party claims administrator is affiliated, unless such
36 company or claims administrator provides the insured with the names
37 of additional motor vehicle glass shops in the area where the motor
38 vehicle is to be repaired. The insurance company or the third-party
39 claims administrator for such company may refer the insured to a list
40 on the Internet of such company's or claims administrator's approved
41 motor vehicle glass repair shops in this state.

42 Sec. 2. Subsections (a) and (b) of section 38a-364 of the general
43 statutes are repealed and the following is substituted in lieu thereof
44 (*Effective October 1, 2012*):

45 (a) For the purposes of sections 14-12b and 14-12c, subsection (a) of

46 section 14-13, sections 14-213b and 14-217 and this section, "private
47 passenger motor vehicle" [shall have] has the same meaning as
48 provided in subsection (e) of section 38a-363.

49 (b) Each insurance company that issues private passenger motor
50 vehicle liability insurance providing the security required by sections
51 38a-19 and 38a-363 to 38a-388, inclusive, shall issue annually to each
52 such insured an automobile insurance identification card, in duplicate,
53 for each insured vehicle, one of which shall be presented to the
54 commissioner as provided in section 14-12b and the other carried in
55 the vehicle as provided in section [14-12f] 14-13. Except as provided in
56 subsection (c) of this section, such card shall be effective for a period of
57 one year and shall include the name of the insured and insurer, the
58 policy number, the effective date of coverage, the year, make or model
59 and vehicle identification number of the insured vehicle and an
60 appropriate space wherein the insured may set forth the year, make or
61 model and vehicle identification number of any private passenger
62 motor vehicle that becomes covered as a result of a change in the
63 covered vehicle during the effective period of the identification card.
64 When an insured has five or more private passenger motor vehicles
65 registered in this state, the insurer may use the designation "all owned
66 vehicles" on each card in lieu of a specific vehicle description. Each
67 insurance company that delivers, issues for delivery or renews such
68 private passenger motor vehicle liability insurance in this state [on or
69 after January 1, 2009,] shall include on such card, the following notice,
70 printed in capital letters and boldface type:

71 NOTICE:

72 YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR
73 SHOP OR GLASS SHOP WHERE THE DAMAGE TO YOUR MOTOR
74 VEHICLE WILL BE REPAIRED.

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|---|-----------------|---------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | October 1, 2012 | 38a-354 |

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| Sec. 2 | October 1, 2012 | 38a-364(a) and (b) |
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INS *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill has no fiscal impact as it deals only with the transactions of private insurers and consumers.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis

sHB 5231

AN ACT CONCERNING AUTOMOTIVE GLASS WORK.

SUMMARY:

This bill requires insurance companies and related entities to inform insureds of their right to choose where to have their automotive glass work done. It prohibits vehicle physical damage appraisers from requiring or prohibiting that such works to be done in a specified facility or repair shop.

The bill bars insurance companies and their third-party claims administrators from providing an insured with the name of a glass shop with which they are affiliated or directing the insured to this shop, unless they provide the insured with the names of other shops in the area where the vehicle will be repaired. The insurance company or its third-party claims administrator may refer the insured to an Internet list of their approved glass repair shops in the state.

The bill makes related minor and technical changes.

EFFECTIVE DATE: October 1, 2012

AUTOMOTIVE GLASS WORK

By law, insurance companies doing business in the state and their agents and adjusters may not require their insureds to use a specific person for glass replacement, glass repair services, or glass products. They may not state that using a repair shop that does not participate in a program established by the insurance company may (1) delay the repair or (2) mean that the work will not be guaranteed. The bill extends the latter provisions to glass work and glass repair shops.

The bill requires that, if there is oral communication between an

insurance company or its third-party claims administrator and an insured regarding vehicle glass replacement, glass repair services, or glass products, in the initial contact with the insured, the company or third-party claims administrator must tell the insured: "You have the right to choose the licensed glass shop where the damage to your motor vehicle will be repaired. If you have a preference, please tell us now to assist us in processing your claim."

By law, vehicle insurance cards must contain a notice in capital and boldface type informing the insured that he or she has the right to choose the licensed repair shop where vehicle damage will be repaired. The bill requires that this notice also refer to glass shops.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 17 Nay 2 (03/13/2012)