



Connecticut Glass Dealers Association

FTR

January 31, 2013

Dear Connecticut Legislator,

As President of the Connecticut Glass Dealers Association (CGDA) I am writing today to ask you for your support of HB 5072 – *An Act Concerning Automotive Glass Work*, when it comes before the Connecticut General Assembly.

HB 5072 will:

- Give consumers a true choice when it comes to their automotive glass repair and replacement needs;
- Allow small, locally and family owned glass shops to compete with the large chains;
- Ensure that Third Party Administrators (TPAs) adhere to fair business practices.

This important bill requires insurance companies to inform their customers that they have the right to choose their auto glass repair shop. All written appraisals and oral communications regarding auto glass damage repair would have to include the statement, "You have the right to choose the licensed repair shop where the damage to your motor vehicle will be repaired." The same type of notice requirement has been required by law for auto body repair work for years, but this bill would expand the notification of choice requirement to cover auto glass repair and replacement work.

HB 5072 also prohibits insurance companies, or their Third Party Administrators for glass claims, from directing the insured to a glass shop that they either own or are affiliated with, unless they provide the insured with the name of at least one other unaffiliated shop as well. What has happened recently is that Safelite Solutions (a sister company of Safelite Auto Glass) has begun administering glass claims for many larger insurance carriers. Not surprisingly, Safelite Solutions, in its capacity as a Third Party Administrator, has been scheduling auto glass repair and replacement work at their corporate owned Safelite glass shops in Connecticut for all insured parties that call to file glass claims. This is placing all other small, non-corporate owned glass shops in Connecticut at a distinct competitive disadvantage and putting their continued existence at risk.

During the 2012 legislative session, the exact same language contained in HB 5072 was passed by the House in the form of HB 5231. This bill was taken up by the Senate in the very last moments of the legislative session, but session expired before it could be voted on by the Senate. The prior passage of the bill by the House shows that there

is strong legislative support for the bill. Passage of HB 5072 during the current legislative session is critical to preventing insurers from creating a monopoly in the auto glass industry. Monopolies are harmful to the entire glass industry and to our valued customers. While this bill does not stop a Third Party Administrator from owning a retail shop, it will ensure some level of fairness by requiring a TPA to suggest not only glass shops that they are affiliated with, but also shops that are independently and locally owned.

On behalf of the membership of the Connecticut Glass Dealers Association and our customers, I ask for your strong support of HB 5072 – *An Act Concerning Automotive Glass Work*.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in cursive script that reads "Mary Sue Hermann".

Mary Sue Hermann
President, Connecticut Glass Dealers Association