



House of Representatives

General Assembly

File No. 15

January Session, 2013

Substitute House Bill No. 5072

House of Representatives, February 27, 2013

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. (NEW) (*Effective January 1, 2014*) (a) No automobile
2 physical damage appraiser shall require that automotive glass work, as
3 defined in section 20-330 of the general statutes, should or should not
4 be performed in or by a specified facility or glass shop.

5 (b) No insurance company doing business in this state or third-party
6 claims administrator, agent or adjuster for such company shall (1)
7 require any insured to use a specific person for the provision of
8 automotive glass work, or (2) state that choosing a facility other than a
9 glass shop participating in an automotive glass work program
10 established by such company will result in delays in or a lack of
11 guarantee for the automotive glass work.

12 (c) (1) If there is any communication between a glass claims
13 representative for an insurance company doing business in this state or
14 a third-party claims administrator for such company and an insured

15 regarding automotive glass work or automobile glass products, in the
 16 initial contact with the insured, such representative or claims
 17 administrator shall state or disclose to the insured a statement
 18 substantially similar to the following: "You have the right to choose a
 19 licensed glass shop where the damage to your motor vehicle will be
 20 repaired. If you have a preference, please let us know."

21 (2) No glass claims representative for an insurance company doing
 22 business in this state or a third-party claims administrator for such
 23 company shall provide an insured with the name of, schedule an
 24 appointment for an insured with or direct an insured to, a licensed
 25 glass shop that is owned by (A) such company, (B) such claims
 26 administrator, or (C) the same parent company as such insurance
 27 company or claims administrator, unless such representative or claims
 28 administrator provides the insured with the name of at least one
 29 additional licensed glass shop in the area where the automotive glass
 30 work is to be performed.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2014	New section

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 5072

AN ACT CONCERNING AUTOMOTIVE GLASS WORK.

SUMMARY:

This bill requires initial communications between a glass claims representative or a third-party claims administrator of an insurance company doing business in Connecticut and the company's insured about automotive glass works or products to inform the insured about his or her right to choose where to have the work done.

It extends a ban on steering by automobile physical damage appraisers. By law, they cannot require or prohibit automotive appraisals or repairs to be performed in or by a specified facility or repair shop. The bill extends this prohibition to glass work performed by a glass shop.

The bill bars insurance companies or their representatives from steering an insured to a licensed glass shop owned by the company, claims administrator, or their parent company, unless they provide the insured with the name of at least one other shop in the area where the glass work is to be performed. Steering occurs when the claims representative or administrator gives the name of, or directs an insured to, a particular glass shop, or schedules an appointment with it for the insured. The ban applies to insurance companies and their claims representatives and third-party claims administrators.

It also bars insurance companies or their representatives from (1) specifying who an insured uses for automotive glass work or (2) stating that glass work will either be delayed or not guaranteed unless performed by a glass shop participating in an insurance company-

established glass work program. Current law bars similar activities with respect to glass replacement, repair services, or products. The bans apply to insurance companies and their third-party claims administrators, agents, and adjusters.

EFFECTIVE DATE: January 1, 2014

AUTOMOTIVE GLASS WORK

The bill requires that a glass claims representative for an insurance company or its third-party claims administrator, in the initial contact with an insured about automotive glass repair services or glass products, tell the insured something substantially similar to: "You have the right to choose a licensed glass shop where the damage to your motor vehicle will be repaired. If you have a preference, please let us know." By law, appraisals and estimates for physical damage claims written on behalf of insurers must have a written notice telling the insured that he or she has the right to choose the shop where the damage will be repaired (CGS § 38a-354).

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 16 Nay 3 (2/14/2013)