MOTOR VEHICLE REPAIRERS

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ISSUE
This report, which reviews some of the laws governing the licensing and operation of motor vehicle repairers and repair shops, updates OLR Report 98-R-0455.

WHO MUST BE LICENSED
The Department of Motor Vehicles (DMV) licenses two types of repairers, those who offer a full set of repair services ("repairers") and those who make only minor repairs ("limited repairers," CGS § 14-51).

The same laws generally apply to both repairers and limited repairers, so this report refers only to "repairers." (An exception to this is a law allowing DMV to establish and maintain a vehicle equipment inspection system. The law authorizes the commissioner to approve licensed repair shops, but not limited repairers, to conduct such inspections (CGS § 14-103 (b)). On the other hand, DMV may authorize a limited repairer to conduct required biennial taxicab inspections (CGS § 13b-99 (b)).

A "repairer" includes any qualified person, with a suitable place of business and adequate equipment, engaged in repairing, overhauling, adjusting, assembling, or disassembling a motor vehicle. The law exempts people engaged in repairing tires, upholstering, glazing, general blacksmithing, welding, and machine work on parts.

A "limited repairer" includes any qualified person, with a suitable place of business and adequate equipment, engaged in the business of making minor repairs, including repair and replacement of cooling, electrical, fuel and exhaust systems; brake adjustments, relining and repair; wheel alignment and balancing; and shock absorber repair and replacement. A limited repairer's place of business is suitable if it has enough space for (1) receiving at least one car at a time, exclusive of a grease pit or rack, and (2) an office and storage of parts and accessories.
By law, a limited repairer is capable of performing his or her duties if: he or she (1) is, in the opinion of the DMV commissioner, a qualified mechanic with thorough knowledge of the services to be provided; (2) has a certificate of completion from a specialized course taught by a school the commissioner has approved; (3) has satisfactory proof of employment by a licensed repairer for at least three years; or (4) has successfully passed a DMV exam.

The following activities do not require a repairer license:

1. lubricating motor vehicles;
2. adding or changing oil or other motor vehicle fluids;
3. changing tires and tubes, including wheel balancing; or
4. installing batteries, light bulbs, windshield wiper blades, drive belts, or similar services (CGS § 14-51).

Repairing a motor vehicle without a license is a class B misdemeanor, punishable by up to six months imprisonment, a fine of up to $1,000, or both (CGS § 14-52).

**REQUIREMENTS AND QUALIFICATIONS**

*Licensing*

The fee for a biennial repairer or limited repairer license is $340.

State agency regulations require that a repairer must also provide two recommendations from former employers or business associates and two credit statements from reputable businesses for each “member of the firm” (Conn. Agencies Reg. § 14-63-4).

The DMV commissioner may request information from an applicant for a repairer license about his or her financial status and ability to comply with the applicable laws. The commissioner must determine whether the applicant has sufficient resources to conduct the business in a manner that safeguards its customers. The commissioner may refuse to issue a license if the applicant does not provide the requested information or if the commissioner is not satisfied with the applicant’s financial status. But the commissioner may grant a conditional license as long as the applicant posts at least a $5,000 bond. Applicants dissatisfied with the commissioner’s decision are entitled to a hearing under the Uniform Administrative Procedure Act (UAPA) (CGS § 14-52).
**Bond**

An applicant for a repairer license must provide a $5,000 cash or surety bond conditioned on the applicant or license holder complying with the provisions of any state or federal law or regulation on the conduct of the business. The bond is to indemnify a customer for any loss the customer incurs because of an action by the repairer that (1) results in the repairer going out of business or (2) is grounds for DMV to suspend or revoke the license. The commissioner can invoke the bond only after a hearing held according to UAPA. The commissioner may charge a license holder a $50 fee, in addition to any civil penalties allowed by law, for failing to provide proof he or she had renewed or replaced the bond before it expired (CGS § 14-52).

**Grounds for Refusing to Grant or Renew a License**

The law allows the commissioner to refuse to grant or renew a repairer license if the applicant, an officer, or a major stockholder of the business has been convicted of violating any law pertaining to motor vehicle dealers or repairers or any federal or state law involving fraud, larceny, or deprivation or misappropriation of property. Starting July 1, 2016, an applicant for a repairer license must submit to a state criminal history records check based on his or her name or birthdate. He or she must do so no more than 30 days before applying for the license and provide the results to DMV.

Starting July 1, 2016, repairers seeking to renew their license must disclose any conviction of a crime related to their business or certain other crimes, such as fraud or larceny, in any state or federal court. Applicants must make this disclosure under penalty of false statement, a violation of which is punishable by up to one year in prison, a maximum $2,000 fine, or both (CGS § 14-52a (a) as amended by PA 16-55, § 3).

The commissioner cannot grant or renew a license to an applicant or licensee who is delinquent in paying sales tax in connection with a business from which it was obligated to remit sales tax. The applicant or licensee is entitled to notice and a hearing (CGS 14-52a).

**REPAIR SHOP LOCATION**

The repair shop’s location must be approved by the DMV commissioner, municipal authorities, and, starting July 1, 2016, a local building official and fire marshal (CGS § 14-54, as amended by PA 16-55, § 4). An applicant unhappy with the decision of a municipal authority may appeal to the Superior Court for the judicial district in which the municipality is located (CGS § 14-57).
REPAIR WORK REQUIREMENTS
The law establishes certain notice and consent requirements a repairer must meet before beginning any work. For example, a repairer must provide a customer with a written estimate for any work costing at least $50, although the customer may waive this requirement in writing.

A repairer must obtain a signed, written authorization from a customer on an invoice before beginning repair work. The invoice must include a written estimate of the maximum costs of parts and labor for the specific job to be performed. The repair shop must notify the customer of the maximum costs and obtain the customer’s consent before beginning any repair even if it was unable to estimate these costs when the vehicle was first brought to the shop. It cannot charge for work done or parts supplied in excess of the authorization without the customer’s oral or written consent.

A repairer also must (1) make replaced parts available to the customer and (2) post signs indicating that the shop is licensed and notifying the public of the estimate, invoice, and parts return requirements (CGS §§ 14-65f to 14-65i).

Violation of any of these laws is a $92 infraction.

USE OF REPAIRER PLATES
The law regulates who may use repairer plates and for what purpose they may do so. It prohibits repairers from renting or hiring out a vehicle with repairer plates. A repairer may only loan such a vehicle to the person whose vehicle is being repaired. The repairer must keep a record of the loan for six months.

The law allows a full-time employee (working at least 35 hours a week) to use a vehicle with repairer plates (1) in connection with the business, (2) when picking up or delivering parts, and (3) for the employee’s personal use. But an employee who works less than 35 hours weekly may only use such a vehicle in connection with the business.

Repairers must keep records of each vehicle with repairer plates, the name, address, and occupation of the employee to whom it has been assigned, the date of assignment, and the location of each unassigned plate (CGS § 14-60).

The commissioner may withdraw all, or limit the number of, repairer plates a licensee has been issued or is eligible to receive if the commissioner finds the licensee has committed any prohibited acts (CGS § 14-58(b)). Misuse of dealer or
Repairer plates can result in suspension or revocation of the license, imposition of a civil penalty of up to $1,000, or both, as noted below (CGS § 14-51a).

RECORD-KEEPING REQUIREMENTS
Repairers must keep the following records for two years after making a repair: (1) estimates; (2) repair orders; (3) the final bill; (4) all bills, statements, or reports received from other dealers or repairers in the course or as a result of making repairs to the vehicle or to its major components; (5) all bills or statements of charges relating to the repairer’s purchase of major component parts for use in making the repair; and (6) any appraisal made or received by the repairer relating to damage or required repairs (Conn. Agencies Reg. § 14-63-40).

The commissioner may permit a repairer to maintain its records electronically, provided the repairer is able to provide them in written form during business hours the same day DMV requests them (CGS § 14-61b).

CUSTOMER COMPLAINTS
The commissioner must notify a repairer of a complaint made against him or her. If the commissioner determines that the law may have been broken, he may try to mediate a settlement between the complainant and repairer.

If such an attempt is unsuccessful, the commissioner must complete the investigation. If he determines the repairer has violated the law he must take appropriate action, including suspending or revoking the license or imposing a civil penalty of up to $1,000 per violation.

If the commissioner chooses not to take such action, he must notify both the repairer and complainant and briefly explain why in writing. He must also inform the parties that an unresolved complaint exists. Unless the commissioner determines that the allegations, even if true, do not establish a violation of law or regulations, DMV must note the complaint status in its records on the repairer until the repairer submits satisfactory evidence (1) signed by the complainant or his attorney that the claim has been resolved by agreement or (2) showing that the matter has been finally adjudicated in favor of the repairer.

An agreement between the customer and repairer does not prevent the commissioner from taking further action if he believes the repairer has broken the laws and regulations that apply to the business (CGS § 14-63).
LICENSE REVOCATION AND SUSPENSION

The commissioner may suspend or revoke a repairer’s license, or impose a civil penalty of up to $1,000 per violation, or both if he determines that the repairer violated any state or federal laws or regulations pertaining to the business. He must notify the repairer and conduct a hearing before doing so. The commissioner may additionally order a repairer to make restitution to an aggrieved customer.

The commissioner can take the above actions for a number of reasons. Among these are if he finds that the repairer:

1. violated any federal or any state law pertaining to the business or failed to comply with a final decision and order of any state department or federal agency;

2. failed to maintain records of a repair, including the vehicles VIN number and other identifying information, for the required two years;

3. failed to allow inspection of his or her records during normal business hours;

4. knowingly made a false statement; or

5. failed to obtain appropriate consent before making a repair (CGS § 14-64).

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