General Assembly

Raised Bill No. 693

January Session, 2021

LCO No. **2005**

Referred to Committee on GENERAL LAW

Introduced by:
(GL)

AN ACT CONCERNING CHANGES TO CONSUMER PROTECTION STATUTES.

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

1 Section 1. Subsection (a) of section 21a-218 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2021*):

4 (a) A copy of the health club contract shall be delivered to the buyer
5 at the time the contract is signed. All health club contracts shall be in
6 writing and signed by the buyer, shall designate the date on which the
7 buyer actually signs the contract, shall identify the address of the
8 location at which the buyer entered the contract and shall contain a
9 statement of the buyer's rights which complies with this section. The
10 statement must: (1) Appear in the contract under the conspicuous
11 caption: "BUYER'S RIGHT TO CANCEL", and (2) read as follows:

12 "If you wish to cancel this contract, you may cancel by **[**mailing**]**
13 <u>sending</u> a written notice **[**by certified or registered mail**]** to the address
14 specified below. The notice must say that you do not wish to be bound
15 by this contract and must be delivered or mailed before midnight of the

16 third business day after you sign this contract. After you cancel, the
17 health club may request the return of all contracts, membership cards
18 and other documents of evidence of membership. The notice must be
19 delivered or mailed to:

20 ....

21 ....

22 (Insert name, electronic mail address and mailing address for
23 cancellation notice.)

24 You may also cancel this contract if you relocate your residence
25 further than twenty-five miles from any health club operated by the
26 seller or from any other substantially similar health club which would
27 accept the obligation of the seller. This contract may also be cancelled if
28 you die, or if the health club ceases operation at the location where you
29 entered into this contract. If you become disabled, you shall have the
30 option of (1) being relieved of liability for payment on that portion of
31 the contract term for which you are disabled, or (2) extending the
32 duration of the original contract at no cost to you for a period equal to
33 the duration of the disability. You must prove such disability by a
34 certificate signed by a licensed physician or a licensed advanced practice
35 registered nurse, which certificate shall be enclosed with the written
36 notice of disability sent to the health club. The health club may require
37 that you be examined by another physician or advanced practice
38 registered nurse agreeable to you and the health club at its expense. If
39 you cancel, the health club may keep or collect an amount equal to the
40 fair market value of the services or use of facilities you have already
41 received."

42 The full text of this statement shall be in ten-point bold type. Each
43 contract renewed on or after October 1, 2021, shall revise the BUYER'S
44 RIGHT TO CANCEL language to provide for cancellation notices
45 received by electronic mail.

46 Sec. 2. Section 21a-219 of the general statutes is repealed and the

47 following is substituted in lieu thereof (*Effective October 1, 2021*):

48 (a) No health club contract shall have a term for a period longer than
49 twenty-four months. If a health club offers a contract of more than
50 twelve months' term, it shall offer a twelve-month contract. If a health
51 club sells a membership contract of more than twelve months' term, the
52 health club shall not collect payment, in cash or its equivalent of more
53 than fifty per cent of the entire consideration for the contract in advance
54 of rendering services. The remainder of the cost of the contract shall be
55 collected by the health club on a pro rata monthly basis during the term
56 of the health club contract. Each contract shall have the prices for all
57 contracts printed thereon.

58 (b) Written notice that a contract will automatically renew shall be
59 provided by the health club to the consumer at the time of entering into
60 the contract. No contract shall contain an automatic renewal clause
61 except for a renewal for a period not to exceed one month. If such
62 contract contains such a one-month automatic renewal clause, such
63 renewal shall become effective only upon payment of the renewal price
64 and such contract shall permit the buyer to cancel any further renewal
65 upon no more than one month's notice, except that for any such contract
66 where the term of the contract is forty-five days or longer, written notice
67 that the contract is soon subject to auto-renewal shall be provided by the
68 health club to the consumer not sooner than sixty days prior to the
69 expiration of term of the contract and not later than forty-five days prior
70 to the expiration of the term of the contract. The price of any such
71 renewal shall not increase or decrease unless the contract: (1) Discloses
72 the amount of such increase or decrease or the method of calculating
73 such increase or decrease in the price of such renewal, or (2) such
74 information is otherwise provided to the buyer, in writing, no less than
75 one month prior to such renewal, except that for any such contract
76 where the term of the contract is forty-five days or longer, such
77 information shall be provided by the health club to the consumer not
78 sooner than sixty days prior to the expiration of term of the contract and
79 not later than forty-five days prior to the expiration of the term of the
80 contract. Any renewal option for continued membership must be

81 accepted by the buyer in writing, by electronic mail or facsimile and
82 shall become effective only upon payment of the renewal price.

83 (c) Each health club shall post the prices and the three-day
84 cancellation provisions, the disability provisions and the twenty-five
85 mile moving provisions of all contracts in a conspicuous place where the
86 contract is entered into.

87 Sec. 3. Section 42-179 of the general statutes is repealed and the
88 following is substituted in lieu thereof (*Effective October 1, 2021*):

89 (a) As used in this chapter: (1) "Consumer" means the purchaser,
90 other than for purposes of resale, of a motor vehicle, a lessee of a motor
91 vehicle, any person to whom such motor vehicle is transferred during
92 the duration of an express warranty applicable to such motor vehicle,
93 and any person entitled by the terms of such warranty to enforce the
94 obligations of the warranty; and (2) "motor vehicle" means a passenger
95 motor vehicle, a passenger and commercial motor vehicle or a
96 motorcycle, as defined in section 14-1, which is sold or leased in this
97 state.

98 (b) If a new motor vehicle does not conform to all applicable express
99 warranties, and the consumer reports the nonconformity to the
100 manufacturer, its agent or its authorized dealer during the period of two
101 years following the date of original delivery of the motor vehicle to a
102 consumer or during the period of the first twenty-four thousand miles
103 of operation, whichever period ends first, the manufacturer, its agent or
104 its authorized dealer shall make such repairs as are necessary to
105 conform the vehicle to such express warranties, notwithstanding the
106 fact that such repairs are made after the expiration of the applicable
107 period.

108 (c) No consumer shall be required to notify the manufacturer of a
109 claim under this section and sections 42-181 to 42-184, inclusive, as
110 amended by this act, unless the manufacturer has clearly and
111 conspicuously disclosed to the consumer, in the warranty or owner's
112 manual, that written notification of the nonconformity is required

113 before the consumer may be eligible for a refund or replacement of the
114 vehicle. The manufacturer shall include with the warranty or owner's
115 manual the name and address to which the consumer shall send such
116 written notification.

117 (d) If the manufacturer or its agents or authorized dealers are unable
118 to conform the motor vehicle to any applicable express warranty by
119 repairing or correcting any defect or condition which substantially
120 impairs the use, safety or value of the motor vehicle to the consumer
121 after a reasonable number of attempts, the manufacturer shall replace
122 the motor vehicle with a new motor vehicle acceptable to the consumer,
123 or accept return of the vehicle from the consumer and refund to the
124 consumer, lessor and lienholder, if any, as their interests may appear,
125 the following: (1) The full contract price, including but not limited to,
126 charges for undercoating, dealer preparation and transportation and
127 installed options, (2) all collateral charges, including but not limited to,
128 sales tax, license and registration fees, and similar government charges,
129 (3) all finance charges incurred by the consumer after he first reports the
130 nonconformity to the manufacturer, agent or dealer and during any
131 subsequent period when the vehicle is out of service by reason of repair,
132 and (4) all incidental damages, **[**as defined in section 42a-2-715,**]** less a
133 reasonable allowance for the consumer's use of the vehicle, if applicable.
134 Incidental damages include, but are not limited to, compensation for
135 any commercially reasonable charges or expenses with respect to: (A)
136 Inspection, receipt, transportation, care or custody of the motor vehicle,
137 (B) covering, returning or disposition of the motor vehicle, (C)
138 reasonable efforts to minimize or avoid the consequences of financial
139 default related to the motor vehicle, and (D) effectuating other remedies
140 after a defect or condition that substantially impaired the motor vehicle
141 has been reported to a dealership or manufacturer. No authorized
142 dealer shall be held liable by the manufacturer for any refunds or vehicle
143 replacements in the absence of evidence indicating that dealership
144 repairs have been carried out in a manner inconsistent with the
145 manufacturers' instructions. Refunds or replacements shall be made to
146 the consumer, lessor and lienholder if any, as their interests may appear.

147 A reasonable allowance for use shall be that amount obtained by
148 multiplying the total contract price of the vehicle by a fraction having as
149 its denominator one hundred twenty thousand and having as its
150 numerator the number of miles that the vehicle traveled prior to the
151 manufacturer's acceptance of its return. It shall be an affirmative defense
152 to any claim under this section **[**(1)**]** (i) that an alleged nonconformity
153 does not substantially impair such use, safety or value, or **[**(2)**]** (ii) that a
154 nonconformity is the result of abuse, neglect or unauthorized
155 modifications or alterations of a motor vehicle by a consumer.

156 (e) It shall be presumed that a reasonable number of attempts have
157 been undertaken to conform a motor vehicle to the applicable express
158 warranties, if (1) the same nonconformity has been subject to repair four
159 or more times by the manufacturer or its agents or authorized dealers
160 during the period of two years following the date of original delivery of
161 the motor vehicle to a consumer or during the period of the first twenty-
162 four thousand miles of operation, whichever period ends first, but such
163 nonconformity continues to exist, or (2) the vehicle is out of service by
164 reason of repair for a cumulative total of thirty or more calendar days
165 during the applicable period, determined pursuant to subdivision (1) of
166 this subsection. Such two-year period and such thirty-day period shall
167 be extended by any period of time during which repair services are not
168 available to the consumer because of a war, invasion, strike or fire, flood
169 or other natural disaster. No claim shall be made under this section
170 unless at least one attempt to repair a nonconformity has been made by
171 the manufacturer or its agent or an authorized dealer or unless such
172 manufacturer, its agent or an authorized dealer has refused to attempt
173 to repair such nonconformity.

174 (f) If a motor vehicle has a nonconformity which results in a condition
175 which is likely to cause death or serious bodily injury if the vehicle is
176 driven, it shall be presumed that a reasonable number of attempts have
177 been undertaken to conform such vehicle to the applicable express
178 warranties if the nonconformity has been subject to repair at least twice
179 by the manufacturer or its agents or authorized dealers within the
180 express warranty term or during the period of one year following the

181 date of the original delivery of the motor vehicle to a consumer,
182 whichever period ends first, but such nonconformity continues to exist.
183 The term of an express warranty and such one-year period shall be
184 extended by any period of time during which repair services are not
185 available to the consumer because of war, invasion, strike or fire, flood
186 or other natural disaster.

187 (g) (1) No motor vehicle which is returned to any person pursuant to
188 any provision of this chapter or in settlement of any dispute related to
189 any complaint made under the provisions of this chapter and which
190 requires replacement or refund shall be resold, transferred or leased in
191 the state without clear and conspicuous written disclosure of the fact
192 that such motor vehicle was so returned prior to resale or lease. Such
193 disclosure shall be affixed to the motor vehicle and shall be included in
194 any contract for sale or lease. The Commissioner of Motor Vehicles shall,
195 by regulations adopted in accordance with the provisions of chapter 54,
196 prescribe the form and content of any such disclosure statement and
197 establish provisions by which the commissioner may remove such
198 written disclosure after such time as the commissioner may determine
199 that such motor vehicle is no longer defective. (2) **[**If**]** For any motor
200 vehicle subject to a complaint made under the provisions of this chapter,
201 if a manufacturer accepts the return of a motor vehicle or compensates
202 any person who accepts the return of a motor vehicle, **[**pursuant to
203 subdivision (1) of this subsection**]** whether the return is pursuant to an
204 arbitration award or settlement, such manufacturer shall stamp the
205 words **[**"MANUFACTURER BUYBACK"**]** "MANUFACTURER
206 BUYBACK-LEMON" clearly and conspicuously on the face of the
207 original title in letters at least one-quarter inch high and, within ten days
208 of receipt of the title, shall submit a copy of the stamped title to the
209 Department of Motor Vehicles. The Department of Motor Vehicles shall
210 maintain a listing of such buyback vehicles and in the case of any request
211 for a title for a buyback vehicle, shall cause the words
212 **[**"MANUFACTURER BUYBACK"**]** "MANUFACTURER BUYBACK-
213 LEMON" to appear clearly and conspicuously on the face of the new
214 title in letters which are at least one-quarter inch high. Any person who

215 applies for a title shall disclose to the department the fact that such
216 vehicle was returned as set forth in this subsection. (3) If a manufacturer
217 accepts the return of a motor vehicle from a consumer due to a
218 nonconformity or defect, in exchange for a refund or a replacement
219 vehicle, whether as a result of an administrative or judicial
220 determination, an arbitration proceeding or a voluntary settlement, the
221 manufacturer shall notify the Department of Motor Vehicles and shall
222 provide the department with all relevant information, including the
223 year, make, model, vehicle identification number and prior title number
224 of the vehicle. <u>Such manufacturer shall stamp the words</u>
225 <u>"MANUFACTURER BUYBACK-LEMON" clearly and conspicuously</u>
226 <u>on the face of the original title in letters at least one-quarter-inch high,</u>
227 <u>and, within ten days of receipt of the title, shall submit a copy of the</u>
228 <u>stamped title to the Department of Motor Vehicles.</u> The Commissioner
229 of Motor Vehicles shall adopt regulations in accordance with chapter 54
230 specifying the format and time period in which such information shall
231 be provided and the nature of any additional information which the
232 commissioner may require. (4) The provisions of this subsection shall
233 apply to motor vehicles originally returned in another state from a
234 consumer due to a nonconformity or defect in exchange for a refund or
235 replacement vehicle and which a lessor or transferor with actual
236 knowledge subsequently sells, transfers or leases in this state. <u>If a</u>
237 <u>manufacturer fails to brand a title pursuant to this subsection within ten</u>
238 <u>days of assuming possession of the motor vehicle or compensating any</u>
239 <u>person who accepts the return, the Department of Consumer Protection</u>
240 <u>may impose on the manufacturer a fine not to exceed ten thousand</u>
241 <u>dollars. Any such fine collected shall be deposited into the new</u>
242 <u>automobile warranties account established pursuant to section 42-190,</u>
243 <u>as amended by this act.</u>

244 (h) All express and implied warranties arising from the sale of a new
245 motor vehicle shall be subject to the provisions of part 3 of article 2 of
246 title 42a.

247 (i) Nothing in this section shall in any way limit the rights or remedies
248 which are otherwise available to a consumer under any other law.

249 (j) If a manufacturer has established an informal dispute settlement
250 procedure which is certified by the Attorney General as complying in
251 all respects with the provisions of Title 16 Code of Federal Regulations
252 Part 703, as in effect on October 1, 1982, and with the provisions of
253 subsection (b) of section 42-182, the provisions of subsection (d) of this
254 section concerning refunds or replacement shall not apply to any
255 consumer who has not first resorted to such procedure.

256 Sec. 4. Section 42-181 of the general statutes is repealed and the
257 following is substituted in lieu thereof (*Effective October 1, 2021*):

258 (a) The Department of Consumer Protection, shall provide an
259 independent arbitration procedure for the settlement of disputes
260 between consumers and manufacturers of motor vehicles which do not
261 conform to all applicable warranties under the terms of section 42-179,
262 as amended by this act. The Commissioner of Consumer Protection shall
263 appoint as arbitrators individuals who shall not be employees or
264 independent contractors with any business involved in the
265 manufacture, distribution, sale or service of any motor vehicle. The
266 arbitrator shall be a member of an arbitration organization and shall
267 serve with compensation. The Department of Consumer Protection may
268 refer an arbitration dispute to the American Arbitration Association or
269 other arbitration organization in accordance with regulations adopted
270 in accordance with the provisions of chapter 54, provided such
271 organization and any arbitrators appointed by such organization to hear
272 cases shall not be affiliated with any motor vehicle manufacturer,
273 distributor, dealer or repairer. Such arbitration organizations shall
274 comply with the provisions of subsections (b) and (c) of this section.

275 (b) If any motor vehicle purchased at any time on or after October 1,
276 1984, or leased at any time on or after June 17, 1987, fails to conform to
277 such applicable warranties as defined in said section 42-179, as amended
278 by this act, a consumer may bring a grievance to an arbitrator if the
279 manufacturer of the vehicle has not established an informal dispute
280 settlement procedure which the Attorney General has certified as
281 complying in all respects with the requirements of said section 42-179,

282 as amended by this act. The consumer may initiate a request for
283 arbitration by calling a toll-free telephone number designated by the
284 commissioner or by requesting an arbitration hearing in writing. The
285 consumer shall file, on forms prescribed by the commissioner, any
286 information deemed relevant to the resolution of the dispute and shall
287 return the form accompanied by a filing fee of fifty dollars. Prior to
288 submitting the complaint to an arbitrator, the Department of Consumer
289 Protection shall conduct an initial review of the complaint. The
290 department shall determine whether the complaint should be accepted
291 or rejected for arbitration based on whether it alleges that the
292 manufacturer has failed to comply with section 42-179, as amended by
293 this act. The filing fee shall be refunded if the department determines
294 that a complaint does not allege a violation of any applicable warranty
295 under the requirements of said section 42-179, as amended by this act.
296 Upon acceptance of the complaint, the commissioner shall notify the
297 manufacturer of the filing of a request for arbitration and shall obtain
298 from the manufacturer, in writing on a form prescribed by the
299 commissioner, any information deemed relevant to the resolution of the
300 dispute. The manufacturer shall return the form within fifteen days of
301 receipt, together with a filing fee of two hundred fifty dollars. Upon
302 written agreement of the parties, signed after the consumer has initiated
303 a request for arbitration, the case may be presented to the arbitrator
304 solely based on the written documents submitted by such parties. A
305 lessee who brings a grievance to an arbitrator under this section shall,
306 upon filing the complaint form provided for in this section, provide the
307 lessor with notice by registered or certified mail, return receipt
308 requested, and the lessor may petition the arbitrator to be made a party
309 to the arbitration proceedings. Initial determinations to reject a
310 complaint for arbitration shall be submitted to an arbitrator for a final
311 decision upon receipt of a written request from the consumer for a
312 review of the initial eligibility determination and a filing fee of fifty
313 dollars. If a complaint is accepted for arbitration, an arbitrator may
314 determine that a complaint does not allege that the manufacturer has
315 failed to comply with section 42-179, as amended by this act at any time
316 before such arbitrator renders its decision on the merits of the dispute.

317 The fee accompanying the consumer's complaint form shall be refunded
318 to the consumer and the fee accompanying the form filed by the
319 manufacturer shall be refunded to the manufacturer if the arbitrator
320 determines that a complaint does not allege a violation of the provisions
321 of section 42-179, as amended by this act.

322 (c) The Department of Consumer Protection shall investigate, gather
323 and organize all information necessary for a fair and timely decision in
324 each dispute. The commissioner may issue subpoenas on behalf of any
325 arbitrator to compel the attendance of witnesses and the production of
326 documents, papers and records relevant to the dispute. The department
327 shall forward a copy of all written testimony, including all documentary
328 evidence, to an independent technical expert certified by the National
329 Institute of Automotive Service Excellence or having a degree or other
330 credentials from a nationally recognized organization or institution
331 attesting to automotive expertise, who shall review such material and
332 be available to advise and consult with the arbitrator. An arbitrator
333 shall, as expeditiously as possible, but not later than sixty days after the
334 time the consumer files the complaint form together with the filing fee,
335 render a fair decision based on the information gathered and disclose
336 his or her findings and the reasons therefor to the parties involved. The
337 failure of the arbitrator to render a decision within sixty days shall not
338 void any subsequent decision or otherwise limit the powers of the
339 arbitrator. The arbitrator shall base his or her determination of liability
340 solely on whether the manufacturer has failed to comply with section
341 42-179, as amended by this act. The arbitration decision shall be final
342 and binding as to the rights of the parties pursuant to section 42-179, as
343 amended by this act, subject only to judicial review as set forth in this
344 subsection. The decision shall provide appropriate remedies, including,
345 but not limited to, one or more of the following:

346 (1) Replacement of the vehicle with an identical or comparable new
347 vehicle acceptable to the consumer;

348 (2) Refund of the full contract price, plus collateral charges as
349 specified in subsection (d) of section 42-179, as amended by this act;

350 (3) Reimbursement for expenses and compensation for incidental
351 damages as specified in subsection (d) of section 42-179, as amended by
352 this act;

353 (4) Any other remedies available under the applicable warranties,
354 section 42-179, as amended by this act, this section and sections 42-182
355 to 42-184, inclusive, or the Magnuson-Moss Warranty-Federal Trade
356 Commission Improvement Act, 88 Stat. 2183 (1975), 15 USC 2301 et seq.,
357 as in effect on October 1, 1982, other than repair of the vehicle. The
358 decision shall specify a date for performance and completion of all
359 awarded remedies. Notwithstanding any provision of the general
360 statutes or any regulation to the contrary, the Department of Consumer
361 Protection shall not amend, reverse, rescind or revoke any decision or
362 action of an arbitrator. The department shall contact the consumer,
363 within ten business days after the date for performance, to determine
364 whether performance has occurred. The manufacturer shall act in good
365 faith in abiding by any arbitration decision. In addition, either party to
366 the arbitration may make application to the superior court for the
367 judicial district in which one of the parties resides or, when the court is
368 not in session, any judge thereof for an order confirming, vacating,
369 modifying or correcting any award, in accordance with the provisions
370 of this section and sections 52-417, 52-418, 52-419 and 52-420. Upon filing
371 such application the moving party shall mail a copy of the application
372 to the Attorney General and, upon entry of any judgment or decree,
373 shall mail a copy of such judgment or decree to the Attorney General. A
374 review of such application shall be confined to the record of the
375 proceedings before the arbitrator. The court shall conduct a de novo
376 review of the questions of law raised in the application. In addition to
377 the grounds set forth in sections 52-418 and 52-419, the court shall
378 consider questions of fact raised in the application. In reviewing
379 questions of fact, the court shall uphold the award unless it determines
380 that the factual findings of the arbitrator are not supported by
381 substantial evidence in the record and that the substantial rights of the
382 moving party have been prejudiced. If the arbitrator fails to state
383 findings or reasons for the award, or the stated findings or reasons are

384 inadequate, the court shall search the record to determine whether a
385 basis exists to uphold the award. If it is determined by the court that the
386 manufacturer has acted without good cause in bringing an appeal of an
387 award, the court, in its discretion, may grant to the consumer his costs
388 and reasonable attorney's fees. If the manufacturer fails to perform all
389 awarded remedies by the date for performance specified by the
390 arbitrator, and the enforcement of the award has not been stayed
391 pursuant to subsection (c) of section 52-420, then each additional day the
392 manufacturer wilfully fails to comply shall be deemed a separate
393 violation for purposes of section 42-184. If the manufacturer fails to
394 perform regarding all awarded remedies by the date of performance
395 specified by the arbitrator, and enforcement of the award has not been
396 stayed pursuant to subsection (c) of section 52-240, the department may
397 impose a fine not to exceed one thousand dollars per day until the
398 manufacturer fully performs as specified by the award. Any such fines
399 collected shall be deposited into the new automobile warranties account
400 established pursuant to section 42-190, as amended by this act.

401 (d) The department shall maintain such records of each dispute as the
402 commissioner may require, including an index of disputes by brand
403 name and model. The department shall annually compile and maintain
404 statistics indicating the record of manufacturer compliance with
405 arbitration decisions and the number of refunds or replacements
406 awarded. A copy of the statistical summary shall be filed with the
407 Commissioner of Motor Vehicles and shall be considered a factor in
408 determining the issuance of any manufacturer license as required under
409 section 14-67a. The summary shall be a public record.

410 (e) If a manufacturer has not established an informal dispute
411 settlement procedure certified by the Attorney General as complying
412 with the requirements of said section 42-179, as amended by this act,
413 public notice of the availability of the department's automobile dispute
414 settlement procedure shall be prominently posted in the place of
415 business of each new car dealer licensed by the Department of Motor
416 Vehicles to engage in the sale of such manufacturer's new motor
417 vehicles. Display of such public notice shall be a condition of licensure

418 under sections 14-52 and 14-64. The Commissioner of Consumer
419 Protection shall determine the size, type face, form and wording of the
420 sign required by this section, which shall include the toll-free telephone
421 number and the address to which requests for the department's
422 arbitration services may be sent.

423 (f) Any consumer injured by the operation of any procedure which
424 does not conform with procedures established by a manufacturer
425 pursuant to subsection (b) of section 42-182 and the provisions of Title
426 16 Code of Federal Regulations Part 703, as in effect on October 1, 1982,
427 may appeal any decision rendered as the result of such a procedure by
428 requesting arbitration de novo of the dispute by an arbitrator. Filing
429 procedures and fees for appeals shall be the same as those required in
430 subsection (b) of this section. The findings of the manufacturer's
431 informal dispute settlement procedure may be admissible in evidence
432 at such arbitration and in any civil action subsequently arising out of
433 any warranty obligation or matter related to the dispute. Any consumer
434 so injured may, in addition, request the Attorney General to investigate
435 the manufacturer's procedure to determine whether its certification
436 shall be suspended or revoked after proper notice and hearing. The
437 Attorney General shall establish procedures for processing such
438 consumer complaints and maintain a record of the disposition of such
439 complaints, which record shall be included in the annual report
440 prepared in accordance with the provisions of subsection (a) of section
441 42-182.

442 (g) The Commissioner of Consumer Protection shall adopt
443 regulations, in accordance with the provisions of chapter 54, to carry out
444 the purposes of this section. Written copies of the regulations and
445 appropriate arbitration hearing procedures shall be provided to any
446 person upon request.

447 <u>(h) After a consumer submits the forms and fee pursuant to</u>
448 <u>subsection (b) of this section and until such time that a decision or</u>
449 <u>settlement is rendered, the consumer shall notify any individual or</u>
450 <u>entity to whom he or she sells the motor vehicle that an action is pending</u>

451 with the department pursuant to this section. Such notice shall be given
452 prior to the buyer's execution of the bill of sale, and shall include any
453 case number or reference number provided by the department to the
454 consumer. The consumer shall (1) notify the department not later than
455 five days after the buyer's execution of the bill of sale that the motor
456 vehicle has been sold, (2) provide the department with the name and
457 contact information of the buyer, and (3) attest that notice of the pending
458 action was given to the buyer prior to the buyer's execution of the bill of
459 sale.

460 Sec. 5. Section 42-190 of the general statutes is repealed and the
461 following is substituted in lieu thereof (*Effective October 1, 2021*):

462 (a) A new automobile warranties account surcharge is hereby
463 imposed on the sale or lease of each new motor vehicle, as defined in
464 section 42-179, as amended by this act, sold or leased in this state by any
465 person licensed to offer such vehicles for sale under section 14-52. Such
466 surcharge shall be in addition to any tax otherwise applicable to any
467 such sales transaction.

468 (b) The surcharge assessed pursuant to this section shall be at a rate
469 of three dollars per motor vehicle, as defined in section 42-179, as
470 amended by this act. Such surcharge shall be collected by each licensee
471 under section 14-52 engaged in the sale or lease of motor vehicles, as
472 defined in section 42-179, as amended by this act, in this state. Such
473 licensee shall pay the surcharges assessed during the prior calendar year
474 to the Department of Consumer Protection in an annual lump sum
475 payment on or before March thirty-first of each year. Said department
476 may assess a late fee of two dollars per vehicle.

477 (c) Proceeds collected from surcharges assessed under this section
478 shall be deposited in the new automobile warranties account established
479 pursuant to subsection (d) of this section.

480 (d) There is established a separate, nonlapsing account, within the
481 General Fund, to be known as the "new automobile warranties account".
482 The account may contain any moneys required by law to be deposited

483 in the account. The moneys in said account shall be allocated to the
484 Department of Consumer Protection to carry out the purposes of this
485 chapter.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*October 1, 2021*	21a-218(a)
Sec. 2	*October 1, 2021*	21a-219
Sec. 3	*October 1, 2021*	42-179
Sec. 4	*October 1, 2021*	42-181
Sec. 5	*October 1, 2021*	42-190

Statement of Purpose:
To amend consumer protection statutes concerning health clubs and the automobile lemon law.

[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.]