



General Assembly

February Session, 2024

Raised Bill No. 5203

LCO No. 1443



Referred to Committee on TRANSPORTATION

Introduced by:
(TRA)

AN ACT CONCERNING AUTOMOBILE DEALER CONVEYANCE FEES.

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

1 Section 1. Subsections (a) and (b) of section 14-62 of the general
2 statutes are repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2024*):

4 (a) Each sale shall be evidenced by an order properly signed by both
5 the buyer and seller, a copy of which shall be furnished to the buyer
6 when executed, and an invoice upon delivery of the motor vehicle, both
7 of which shall contain the following information: (1) Make of vehicle; (2)
8 year of model, whether sold as new or used, and on invoice the
9 identification number; (3) deposit, and (A) if the deposit is not
10 refundable, the words "No Refund of Deposit" shall appear at this point,
11 and (B) if the deposit is conditionally refundable, the words
12 "Conditional Refund of Deposit" shall appear at this point, followed by
13 a statement giving the conditions for refund, and (C) if the deposit is
14 unconditionally refundable, the words "Unconditional Refund" shall
15 appear at this point; (4) cash selling price; (5) finance charges, and (A) if
16 these charges do not include insurance, the words "No Insurance" shall

17 appear at this point, and (B) if these charges include insurance, a
18 statement shall appear at this point giving the exact type of coverage; (6)
19 allowance on motor vehicle traded in, if any, and description of the
20 same; (7) stamped or printed in a size equal to at least ten-point bold
21 type on the face of both the order and invoice one of the following forms:
22 (A) "This motor vehicle not guaranteed", or (B) "This motor vehicle is
23 guaranteed", followed by a statement as to the terms of such guarantee,
24 which terms shall include the duration of the guarantee or the number
25 of miles the guarantee shall remain in effect. Such statement shall not
26 apply to household furnishings of any trailer; (8) if the motor vehicle is
27 new but has been subject to use by the seller or use in connection with
28 [his] the seller's business as a dealer, the word "demonstrator" shall be
29 clearly displayed on the face of both the order and invoice; (9) any dealer
30 conveyance fee or processing fee and a statement that such fee is not
31 payable to the state of Connecticut printed in at least ten-point bold type
32 on the face of both the order and invoice; and (10) the dealer's legal
33 name, address and license number. For the purposes of this
34 [subdivision] section, "dealer conveyance fee" or "processing fee" means
35 a fee charged by a dealer to recover reasonable costs for processing all
36 documentation and performing services related to the closing of a sale,
37 including, but not limited to, the registration and transfer of ownership
38 of the motor vehicle which is the subject of the sale.

39 (b) (1) The form used by a dealer for the order and invoice shall not
40 be printed in advance of discussions with a prospective buyer to include
41 the amount of a dealer conveyance fee, processing fee, vehicle
42 identification etching service fee or any other fee that is negotiable or for
43 an optional service. The selling price quoted by any dealer to a
44 prospective buyer shall include, separately stated, the amount of the
45 dealer conveyance fee and that such fee is negotiable. No dealer
46 conveyance fee shall be added to the selling price at the time the order
47 is signed by the buyer.

48 (2) No dealer may charge a dealer conveyance fee or processing fee
49 that is greater than one per cent of the selling price of the motor vehicle.

50 [(2)] (3) No dealer shall include in the selling price a dealer
51 preparation charge for any item or service for which the dealer is
52 reimbursed by the manufacturer or any item or service not specifically
53 ordered by the buyer and itemized on the invoice.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024</i>	14-62(a) and (b)

Statement of Purpose:

To (1) limit the amount a dealer may charge for a conveyance fee or processing fee when selling or leasing a motor vehicle, and (2) prohibit a dealer from printing the order and invoice for the purchase of a motor vehicle with negotiable fees in advance of discussions with a prospective buyer.

[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.]