



General Assembly

Raised Bill No. 5152

February Session, 2008

LCO No. 828

00828_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:

(INS)

AN ACT CONCERNING MOTOR VEHICLE REPAIRS.

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

Section 1. Section 38a-354 of the general statutes is amended by adding subsection (c) as follows (*Effective January 1, 2009*):

(NEW) (c) Any appraisal or estimate for a motor vehicle physical damage claim written on behalf of an insurer shall include the following notice, printed in not less than ten-point boldface type:

NOTICE:

YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL BE REPAIRED.

Sec. 2. Section 38a-364 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2009*):

(a) For the purposes of sections 14-12b and 14-12c, subsection (a) of section 14-13, sections 14-213b and 14-217 and this section, "private passenger motor vehicle" shall have the same meaning as in subsection (e) of section 38a-363.

(b) Each insurance company which issues private passenger motor vehicle liability insurance providing the security required by sections 38a-19 [of the 2008 supplement to the general statutes](#) and 38a-363 to 38a-388,

inclusive, shall issue annually to each such insured an automobile insurance identification card, in duplicate, for each insured vehicle, one of which shall be presented to the commissioner as provided in section 14-12b and the other carried in the vehicle as provided in section 14-12f. Except as provided in subsection (c), such card shall be effective for a period of one year and shall include the name of the insured and insurer, the policy number, the effective date of coverage, the year, make or model and vehicle identification number of the insured vehicle and an appropriate space wherein the insured may set forth the year, make or model and vehicle identification number of any private passenger motor vehicle that becomes covered as a result of a change in the covered vehicle during the effective period of the identification card. When an insured has five or more private passenger motor vehicles registered in this state, the insurer may use the designation "all owned vehicles" on each card in lieu of a specific vehicle description. Each such insurance company that delivers, issues for delivery or renews such private passenger motor vehicle liability insurance in this state on or after January 1, 2009, shall include on such card, the following notice, printed in capital letters and boldface type:

NOTICE:

YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL BE REPAIRED.

(c) Whenever a binder for such insurance is issued by an agent, the agent shall also issue a temporary identification card, in duplicate, for each covered vehicle effective for a period of sixty days from the date on which the binder becomes effective. Such temporary cards shall include the name of the insured and insurer, the printed name and signature of the agent or authorized representative, the effective date of the binder, the policy number or, if such number is not available, the agent's code number and the year, make or model and vehicle identification number of the insured vehicle.

(d) The provisions of this section shall apply only to private passenger motor vehicles registered in this state.

Sec. 3. Section 14-65i of the 2008 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2009*):

(a) Each motor vehicle repair shop shall prominently display a sign twenty-four inches by thirty-six inches in each area of its premises where work orders are placed by customers. The sign, which shall be in boldface type, shall read as follows:

THIS ESTABLISHMENT IS LICENSED WITH THE

STATE DEPARTMENT OF MOTOR VEHICLES.

EACH CUSTOMER IS ENTITLED TO...

1. A WRITTEN ESTIMATE FOR REPAIR WORK.

2. A DETAILED INVOICE OF WORK DONE AND PARTS SUPPLIED.

3. RETURN OF REPLACED PARTS, PROVIDED THE REQUEST IS MADE AT THE TIME WRITTEN OR ORAL AUTHORIZATION IS PROVIDED FOR WORK TO BE PERFORMED.

NO REPAIR WORK MAY BE UNDERTAKEN ON A VEHICLE WITHOUT THE AUTHORIZATION OF THE CUSTOMER.

NO CHARGES FOR REPAIR MAY BE MADE IN EXCESS OF THE WRITTEN ESTIMATE WITHOUT THE WRITTEN OR ORAL CONSENT OF THE CUSTOMER.

QUESTIONS CONCERNING THE ABOVE SHOULD BE DIRECTED TO THE MANAGER OF THIS REPAIR FACILITY.

UNRESOLVED QUESTIONS REGARDING SERVICE WORK MAY BE SUBMITTED TO:

DEPARTMENT OF MOTOR VEHICLES

DEALER REPAIR DIVISION

60 STATE STREET, WETHERSFIELD, CONNECTICUT

TELEPHONE:

HOURS OF OPERATION:

(b) Each motor vehicle repair shop shall post a sign, as required by this subsection, in each area of its premises where work orders are placed by customers. The sign shall state: (1) The hourly charge for labor; (2) the conditions, if any, under which the shop may impose charges for storage, and the amount of any such charges; and (3) the charge, if any, for a diagnosis.

(c) Each motor vehicle repair shop shall prominently display a sign in each area of its premises where work orders are placed by customers. The sign, which shall be in boldface type, shall read as follows:

NOTICE:

THE CUSTOMER HAS THE RIGHT TO CHOOSE THE LICENSED REPAIR SHOP WHERE THE DAMAGE TO HIS OR HER MOTOR VEHICLE WILL BE REPAIRED.

~~(c)~~ (d) The Commissioner of Motor Vehicles shall determine the size, type face and form of the signs required by this section.

Sec. 4. (NEW) (*Effective January 1, 2009*) Any appraisal or estimate for a motor vehicle physical damage claim written on behalf of a motor vehicle repair shop, as defined in section 14-65e of the general statutes, shall include the following notice, printed in not less than ten-point boldface type:

NOTICE:

YOU HAVE THE RIGHT TO CHOOSE THE LICENSED REPAIR SHOP WHERE THE DAMAGE TO YOUR MOTOR VEHICLE WILL BE REPAIRED.

Sec. 5. (NEW) (*Effective October 1, 2008*) (a) No insurer that issues automobile liability insurance policies, as defined in section 38a-341 of the general statutes, in this state shall be liable for supplemental charges assessed by a motor vehicle repair shop, as defined in section 14-65e of the general statutes, unless the insurer or the insurer's representative is given reasonable notice by such repair shop of the need for supplemental repairs and a period not to exceed seventy-two business hours, as measured by the insurer's normal business hours, excluding weekends and holidays, after receipt of notice to inspect the motor vehicle prior to the commencement of such repairs. For purposes of this subsection, "supplemental charges" means (1) charges for additional parts or labor found to be necessary by such repair shop during the course of repair work where the charges are not included in the initial estimate of the parts and labor necessary to complete the repair, or (2) any deviation by such repair shop from any initial authorization for parts or labor as prepared by the insurer or the insurer's representative that is legally liable for compensating an insured for damage to the vehicle.

(b) Such insurer or the insurer's representative may waive the right to inspect a motor vehicle under the provisions of this section.

Sec. 6. Section 14-64 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

The commissioner may suspend or revoke the license or licenses of any licensee or impose a civil penalty of not more than one thousand dollars for each violation on any licensee or both, when, after notice and hearing, the commissioner finds that the licensee (1) has violated any provision of any statute or regulation of any state or any federal statute or regulation pertaining to its business as a licensee or has failed to comply with the terms of a final decision and order of any state department or federal agency concerning any such provision; or (2) has failed to maintain such records of transactions concerning the purchase, sale or repair of motor vehicles or major component parts, as required by such regulations as shall be adopted by the commissioner, for a period of two years after such purchase, sale or repairs, provided the records shall include the vehicle identification number and the name and address of the person from whom each vehicle or part was purchased and to whom each vehicle or part was sold, if a sale occurred; or (3) has failed to allow inspection of such records by the commissioner or the commissioner's representative during normal business hours, provided written notice stating the purpose of the inspection is furnished to the licensee, or has failed to allow inspection of such records by any representative of the Division of State Police within the Department of Public Safety or any organized local police department, which inspection may include examination of the premises to determine the accuracy of such records; or (4) has made a false statement as to the condition, prior ownership or prior use of any motor vehicle sold, exchanged, transferred, offered for sale or repaired if the licensee knew or should have known that such statement was false; or (5) is not qualified to conduct the licensed business, applying the standards of section 14-51 and the applicable regulations; or (6) has violated any provision of sections 42-221 to 42-226, inclusive; or (7) has failed to fully execute or provide the buyer with (A) an order as described in section 14-62 [of the 2008 supplement to the general statutes](#), (B) the properly assigned certificate of title, or (C) a temporary transfer or new issue of registration; or (8) has failed to deliver a motor vehicle free and clear of all liens, unless written notification is given to the buyer stating such motor vehicle shall be purchased subject to a lien; or (9) has violated any provision of sections 14-65f to 14-65j, inclusive, [or section 5 of this act](#); or (10) has used registration number plates issued by the commissioner, in violation of the provisions and standards set forth in sections 14-59 and 14-60 and the applicable regulations; or (11) has failed to secure or to account for or surrender to the commissioner on demand official registration plates or any other official materials in its custody. In addition to, or in lieu of, the imposition of any other penalties authorized by this section, the commissioner may order any such licensee to make restitution to any aggrieved customer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2009</i>	38a-354
Sec. 2	<i>January 1, 2009</i>	38a-364
Sec. 3	<i>January 1, 2009</i>	14-65i
Sec. 4	<i>January 1, 2009</i>	New section
Sec. 5	<i>October 1, 2008</i>	New section
Sec. 6	<i>October 1, 2008</i>	14-64

Statement of Purpose:

To require disclosure to consumers that they have the right to choose the repair facility to complete repairs to their motor vehicles, to require motor vehicle repair shops to provide notice to insurers of the need for supplemental repairs and to establish a time frame for insurers to inspect the motor vehicle prior to commencement of such supplemental repairs.

[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.]