



General Assembly

Substitute Bill No. 5203

February Session, 2024



AN ACT CONCERNING THE OFFERING PRICE OF A MOTOR VEHICLE AND AUTOMOBILE DEALER CONVEYANCE FEES.

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

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 Section 14-62 of the general statutes is repealed and the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

3 (a) For the purposes of this section, (1) "offering price" means the full
4 cash price for which a dealer will sell or finance a motor vehicle to any
5 buyer, provided the dealer may exclude only required government
6 charges; and (2) "government charges" means any fees or charges
7 imposed by any federal, state or local government agency or
8 department, including taxes, license and registration costs, inspection or
9 certification costs and any other such fees or charges.

10 [(a)] (b) Each sale shall be evidenced by an order properly signed by
11 both the buyer and seller, a copy of which shall be furnished to the buyer
12 when executed, and an invoice upon delivery of the motor vehicle, both
13 of which shall contain the following information: (1) Make of vehicle; (2)
14 year of model, whether sold as new or used, and on invoice the
15 identification number; (3) deposit, and (A) if the deposit is not
16 refundable, the words "No Refund of Deposit" shall appear at this point,
17 and (B) if the deposit is conditionally refundable, the words
18 "Conditional Refund of Deposit" shall appear at this point, followed by

19 a statement giving the conditions for refund, and (C) if the deposit is
20 unconditionally refundable, the words "Unconditional Refund" shall
21 appear at this point; (4) [cash selling] agreed-upon price, excluding only
22 required government charges; (5) finance charges, and (A) if these
23 charges do not include insurance, the words "No Insurance" shall
24 appear at this point, and (B) if these charges include insurance, a
25 statement shall appear at this point giving the exact type of coverage; (6)
26 allowance on motor vehicle traded in, if any, and description of the
27 same; (7) required government charges; (8) stamped or printed in a size
28 equal to at least ten-point bold type on the face of both the order and
29 invoice one of the following forms: (A) "This motor vehicle not
30 guaranteed", or (B) "This motor vehicle is guaranteed", followed by a
31 statement as to the terms of such guarantee, which terms shall include
32 the duration of the guarantee or the number of miles the guarantee shall
33 remain in effect. Such statement shall not apply to household
34 furnishings of any trailer; [(8)] (9) if the motor vehicle is new but has
35 been subject to use by the seller or use in connection with [his] the
36 seller's business as a dealer, the word "demonstrator" shall be clearly
37 displayed on the face of both order and invoice; [(9) any dealer
38 conveyance fee or processing fee and a statement that such fee is not
39 payable to the state of Connecticut printed in at least ten-point bold type
40 on the face of both order and invoice;] and (10) the dealer's legal name,
41 address and license number. [For the purposes of this subdivision,
42 "dealer conveyance fee" or "processing fee" means a fee charged by a
43 dealer to recover reasonable costs for processing all documentation and
44 performing services related to the closing of a sale, including, but not
45 limited to, the registration and transfer of ownership of the motor
46 vehicle which is the subject of the sale.] The form used by a dealer for
47 the order and invoice shall not be printed in advance of discussions with
48 a prospective buyer to include the amount of any vehicle identification
49 etching service fee or any other fee for an optional service.

50 [(b)] (c) (1) [The selling price quoted by any dealer to a prospective
51 buyer shall include, separately stated, the amount of the dealer
52 conveyance fee and that such fee is negotiable. No dealer conveyance

53 fee shall be added to the selling price at the time the order is signed by
54 the buyer.] The dealer shall disclose the offering price in any verbal or
55 written communication with a prospective buyer that includes a
56 reference, expressly or by implication, regarding a specific motor
57 vehicle or any monetary amount or financing term for any motor
58 vehicle.

59 (2) No dealer shall include in the [selling] offering price a dealer
60 preparation charge for any item or service for which the dealer is
61 reimbursed by the manufacturer or any item or service not specifically
62 ordered by the buyer and itemized on the invoice.

63 [(c) Each dealer shall provide a written statement to the buyer and
64 prominently display a sign in the area of such dealer's place of business
65 in which sales are negotiated which shall specify the amount of any
66 conveyance or processing fee charged by such dealer, the services
67 performed by the dealer for such fee, that such fee is negotiable, that
68 such fee is not payable to the state of Connecticut and that the buyer
69 may elect, where appropriate, to submit the documentation required for
70 the registration and transfer of ownership of the motor vehicle which is
71 the subject of the sale to the Commissioner of Motor Vehicles, in which
72 case the dealer shall reduce such fee by a proportional amount. The
73 Commissioner of Motor Vehicles shall determine the size, typeface and
74 arrangement of such information.]

75 (d) No dealer licensed under the provisions of section 14-52 shall sell
76 any used motor vehicle without furnishing to the buyer, at the time of
77 sale, a valid certificate of title, the assignment and warranty of title by
78 such dealer or other evidence of title issued by another state or country,
79 where applicable, disclosing the existence of any lien, security interest
80 in or other encumbrance on the vehicle. Any dealer that violates this
81 subsection shall be guilty of a class B misdemeanor.

82 (e) No person, firm or corporation shall sell a motor vehicle at a public
83 or private auction without furnishing to the buyer, at the time of sale, a
84 valid certificate of title, the assignment and warranty of title by such

85 person, firm or corporation, or other evidence of title issued by another
86 state or country, where applicable, disclosing the existence of any lien,
87 security interest in or other encumbrance on the vehicle.

88 (f) The provisions of subsection (d) of this section shall not apply to
89 the sale of any used motor vehicle by a new car dealer to a person, firm
90 or corporation which, pursuant to a lease contract option, purchases
91 such vehicle at the end of the lease term provided (1) such vehicle is
92 registered in this state in accordance with the provisions of section 14-
93 12, (2) the certificate of title for such vehicle is in the possession of a
94 lessor licensed under the provisions of section 14-15, (3) subsequent to
95 such sale, such vehicle is registered in the name of the prior lessee, and
96 (4) such dealer obtains the certificate of title from such lessor and
97 transmits all necessary documents and fees to the commissioner not
98 later than ten days following the issuance of a motor vehicle registration
99 for such vehicle.

100 (g) Before offering any used motor vehicle for retail sale, the selling
101 dealer shall complete a comprehensive safety inspection of such vehicle.
102 Such safety inspection shall cover all applicable equipment and
103 components contained in sections 14-80 to 14-106d, inclusive, and such
104 inspection shall be evidenced on a form approved by the commissioner.
105 The selling dealer shall attest to such form under the penalty of false
106 statement, as prescribed in section 53a-157b, and shall state that the
107 vehicle has undergone any necessary repairs and has been deemed to
108 be in condition for legal operation on any highway of this state. In the
109 event defects are found but not repaired, and the vehicle is not subject
110 to any warranty under section 42-221, the selling dealer shall note all
111 such defects on the form and may sell such vehicle in "as is" condition.
112 Any vehicle sold in "as is" condition with one or more defects in the
113 equipment or components shall have the retail purchase order, invoice,
114 title and assignment documents prominently marked as "not in
115 condition for legal operation on the highways" with an explanation of
116 defects noted on such retail purchase order, invoice and safety
117 inspection form. A dealer selling any vehicle pursuant to this subsection
118 shall require a purchaser to acknowledge the vehicle condition by

119 obtaining such purchaser's signature on the retail purchase order,
120 invoice and safety inspection forms, copies of which shall be furnished
121 to the buyer upon execution. No dealer shall charge any fee to a
122 customer for the completion of such safety inspection or for any repairs
123 required to remedy defects discovered during such safety inspection
124 pursuant to this subsection, except that nothing herein shall (1) limit or
125 otherwise regulate the retail sales price charged by a dealer for a vehicle
126 that has been inspected or repaired prior to sale; or (2) negate or preempt
127 any provisions of chapter 743f. This subsection shall not apply to fees
128 for any inspection or any work performed under the terms of a lease buy
129 back. Any dealer that fails to conduct the safety inspection required in
130 this subsection shall be guilty of a class B misdemeanor.

131 (h) No dealer licensed under section 14-52 shall deliver or permit a
132 retail purchaser to take possession or delivery of any used motor vehicle
133 until such purchaser has paid in full for the vehicle or until financing
134 offered by the dealer for such vehicle has been approved by the lending
135 institution or other entity through which any financing agreement has
136 been made. Any dealer that violates this subsection shall be guilty of a
137 class B misdemeanor.

138 Sec. 2. Section 14-62a of the general statutes is repealed and the
139 following is substituted in lieu thereof (*Effective October 1, 2024*):

140 (a) [No dealer licensed under the provisions of section 14-52 shall
141 advertise the price of any motor vehicle unless the stated price in such
142 advertisement includes the federal tax, the cost of delivery, dealer
143 preparation and any other charges of any nature, except that such
144 advertisement shall (1) state in at least eight-point bold type that any
145 state or local tax, registration fees or dealer conveyance fee or processing
146 fee, as defined in subsection (a) of section 14-62, is excluded from such
147 advertised price, and (2) separately state, in at least eight-point bold
148 type, immediately next to the phrase "Dealer Conveyance Fee", the
149 amount of such dealer conveyance fee or processing fee.] As used in this
150 section, "offering price" has the same meaning as provided in section 14-
151 62, as amended by this act. In connection with the sale or financing of

152 any motor vehicle, a dealer licensed under the provisions of section 14-
153 52 shall disclose the offering price in any advertisement that references,
154 expressly or by implication, a specific motor vehicle or any monetary
155 amount or financing terms for any vehicle.

156 (b) Any new or used car dealer violating the provisions of this section
157 shall be fined not more than one thousand dollars. The Commissioner
158 of Motor Vehicles may suspend or revoke, in accordance with section
159 14-64, the license of any such dealer violating the provisions of this
160 section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024</i>	14-62
Sec. 2	<i>October 1, 2024</i>	14-62a

TRA *Joint Favorable Subst.*