

General Assembly

January Session, 2025

Committee Bill No. 774

LCO No. **4170**

Referred to Committee on TRANSPORTATION

Introduced by: (TRA)

AN ACT CONCERNING THE OFFERING PRICE OF A MOTOR VEHICLE BY A CAR DEALER.

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

Section 1. Section 14-62a of the general statutes is repealed and the
 following is substituted in lieu thereof (*Effective October 1, 2025*):

3 (a) No dealer licensed under the provisions of section 14-52 shall 4 advertise the price of any motor vehicle unless the stated price in such 5 advertisement includes the federal tax, the cost of delivery, dealer preparation, any dealer conveyance fee or processing fee and any other 6 7 charges of any nature [, except that] and such advertisement [shall (1) 8 state] (1) states in at least eight-point bold type that any state or local tax 9 [,] or registration fees [or dealer conveyance fee or processing fee, as 10 defined in subsection (a) of section 14-62, is] are excluded from such 11 advertised price, and (2) separately [state,] states in at least eight-point 12 bold type, immediately next to the phrase "Dealer Conveyance Fee", the 13 amount of such dealer conveyance fee or processing fee. For the 14 purposes of this subsection, "dealer conveyance fee" and "processing 15 fee" have the same meanings as provided in subsection (a) of section 1416 <u>62, as amended by this act.</u>

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

Sec. 2. Subsections (a) and (b) of section 14-62 of the general statutes
are repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

25 (a) Each sale shall be evidenced by an order properly signed by both 26 the buyer and seller, a copy of which shall be furnished to the buyer 27 when executed, and an invoice upon delivery of the motor vehicle, both 28 of which shall contain the following information: (1) Make of vehicle; (2) 29 year of model, whether sold as new or used, and on invoice the 30 identification number; (3) deposit, and (A) if the deposit is not 31 refundable, the words "No Refund of Deposit" shall appear at this point, 32 and (B) if the deposit is conditionally refundable, the words 33 "Conditional Refund of Deposit" shall appear at this point, followed by 34 a statement giving the conditions for refund, and (C) if the deposit is 35 unconditionally refundable, the words "Unconditional Refund" shall 36 appear at this point; (4) cash selling price; (5) finance charges, and (A) if 37 these charges do not include insurance, the words "No Insurance" shall 38 appear at this point, and (B) if these charges include insurance, a 39 statement shall appear at this point giving the exact type of coverage; (6) 40 allowance on motor vehicle traded in, if any, and description of the 41 same; (7) stamped or printed in a size equal to at least ten-point bold 42 type on the face of both the order and invoice one of the following forms: 43 (A) "This motor vehicle not guaranteed", or (B) "This motor vehicle is 44 guaranteed", followed by a statement as to the terms of such guarantee, 45 which terms shall include the duration of the guarantee or the number 46 of miles the guarantee shall remain in effect. Such statement shall not 47 apply to household furnishings of any trailer; (8) if the motor vehicle is 48 new but has been subject to use by the seller or use in connection with

49 [his] the seller's business as a dealer, the word "demonstrator" shall be 50 clearly displayed on the face of both the order and invoice; (9) any dealer 51 conveyance fee or processing fee and a statement that such fee is not 52 payable to the state of Connecticut printed in at least ten-point bold type 53 on the face of both order and invoice; and (10) the dealer's legal name, 54 address and license number. The form used by a dealer for the order 55 and invoice shall not be printed in advance of discussions with a 56 prospective buyer to include the amount of any vehicle identification 57 etching service or any other fee for an optional service. For the purposes 58 of this [subdivision] section, "dealer conveyance fee" or "processing fee" 59 means a fee charged by a dealer to recover reasonable costs for 60 processing all documentation and performing services related to the 61 closing of a sale, including, but not limited to, the registration and 62 transfer of ownership of the motor vehicle which is the subject of the 63 sale.

(b) (1) The selling price quoted by any dealer to a prospective buyer
shall <u>both (A)</u> include [,] <u>any dealer conveyance fee or processing fee</u>,
<u>and (B)</u> separately [stated,] <u>state</u> the amount of [the] <u>any such</u> dealer
conveyance fee <u>or processing fee</u> and that such fee is negotiable. [No
dealer conveyance fee shall be added to the selling price at the time the
order is signed by the buyer.]

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2025	14-62a
Sec. 2	October 1, 2025	14-62(a) and (b)

TRA Joint Favorable