
OLR Bill Analysis

SB 774

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

SUMMARY

This bill makes two changes related to motor vehicle sales. First, it requires car dealers to include their dealer conveyance fee or processing fee, if any, in the price they advertise or quote for a motor vehicle. It also prohibits dealers from pre-printing vehicle orders and invoices with optional fees.

Current law requires dealers to exclude conveyance or processing fees from a vehicle's advertised price and from the selling price they quote to any prospective buyer. The bill instead requires dealers to include these fees in the advertised or quoted price. Under existing law and the bill, dealers must also separately state the amount of the conveyance or processing fee. Under the bill, as under existing law, a "dealer conveyance fee" or "processing fee" is a fee dealers charge to recover reasonable costs for processing all documentation and performing services related to closing a sale, including registration and transferring vehicle ownership.

By law, and unchanged by the bill, a dealer must also give a buyer a written statement and prominently display a sign specifying (1) the conveyance fee or processing fee amount, (2) the included services, (3) that the fee is negotiable, (4) that the fee is not payable to the state, and (5) that the buyer may choose, where appropriate, to submit registration and title documents to the Department of Motor Vehicles, in which case the dealer will reduce the fee by a proportional amount (CGS § 14-62(c)).

For each motor vehicle sale, state law requires dealers to give buyers an order and an invoice that contains the vehicle's cash selling price and other specified vehicle information and offer terms. Dealers are

prohibited from including in the selling price any item or service not specifically ordered by the buyer and itemized on the invoice. The bill prohibits dealers from pre-printing the vehicle order and invoice with a vehicle identification number (VIN) etching fee or a fee for any other optional service before discussions with a prospective buyer.

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Related Bill

sSB 1357 (§ 43), favorably reported by the General Law Committee, requires licensed car dealers to clearly and conspicuously disclose, on the vehicle's side window and in each written advertisement where the price is displayed, each fee, charge, or cost that a person is required to pay in order to purchase, lease, or otherwise receive the vehicle.

COMMITTEE ACTION

Transportation Committee

Joint Favorable

Yea 25 Nay 10 (03/12/2025)