
OLR Bill Analysis

sSB 413 (File 466, as amended by Senate "A")*

AN ACT REVISING VARIOUS MOTOR VEHICLE STATUTES.

TABLE OF CONTENTS:

SUMMARY

§§ 1 & 2 — ACCESSIBLE PARKING PLACARDS

Requires DMV to redesign placards so the expiration date is prominent; specifies that the Accessible Parking Advisory Council's duty to make educational materials includes videos or online trainings; and requires that people who certify eligibility for placards select which criterion an applicant meets

§ 3 — RECIPROCITY FOR Q ENDORSEMENT

Requires DMV to waive the skills test requirement for a Q endorsement to operate a fire apparatus for people that have an out-of-state credential that is substantially equivalent, as determined by the Commission on Fire Prevention and Control

§ 4 — E-SCOOTER WEIGHT LIMIT

Increases current law's e-scooter weight limit from 100 pounds to 110 pounds

§ 5 — VEHICLE RENTALS

Adds open air all-terrain, sport, and convertible to the list of vehicle categories for which a car rental company may require a customer to provide a credit card before renting

§ 6 — LOCAL BRIDGE PROGRAM ELIGIBILITY

Modifies the definition of "eligible bridges" that may receive grants under the state's Local Bridge Program

§§ 7-11 — VESSEL RECORD PRIVACY

Generally subjects records relating to vessels and vessel titles to the privacy protections that apply to personal information in DMV records under existing law, but allows the disclosure of certain information to a vessel owner

§§ 12-14 — DEFINITION OF "COMMISSIONER" IN CERTAIN LAWS AUTHORIZING BACKGROUND CHECKS

Specifies that "commissioner" refers only to the commissioner or a DMV employee acting on his behalf in several statutes governing background check requirements

§ 15 — REPLACEMENT TITLES

Requires DMV, before issuing a replacement title, to check the VIN against certain databases

§ 16 — ACCESSIBLE PARKING

Requires the governor to proclaim the second Monday in July each year as Accessible Parking Awareness Day

[§ 17 — YOUTH INSTRUCTION PERMIT HOLDERS AND PASSENGER RESTRICTIONS](#)

Allows 16- and 17-year-old learner's permit holders to have their sibling as a passenger during driving instruction if the sibling also holds a learner's permit

[§§ 18 & 19 — DEALER CONVEYANCE FEES](#)

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 and prohibits them from pre-printing vehicle orders and invoices with the dealer conveyance fee amount

[§§ 20-25 — DEALER FRANCHISE ACT CHANGES](#)

Limits the circumstances under which manufacturers may require car dealers to construct, renovate, or substantially alter their dealerships; establishes new requirements related to consumer data sharing between dealers and manufacturers; entitles new vehicle dealers to compensation when used vehicles in their inventories are recalled and the necessary parts or remedies are not available for a while

[§§ 26 & 27 — E-BIKE AND MOTOR-DRIVEN CYCLE DEFINITIONS](#)

Modifies the motor capacity limits for e-bikes and motor driven cycles

[§ 28 — WAIVER OF NEW PHOTO REQUIREMENT FOR CERTAIN ID CARDS](#)

Gives the DMV commissioner discretion to waive this requirement for people age 65 or older or with certain disabilities or medical conditions who are (1) renewing an ID card or (2) replacing their driver's license with an ID card

[§§ 29 & 41 — ELECTRONIC TOWED VEHICLE PORTAL](#)

Requires DMV to create and maintain an electronic portal on its website, available 24 hours a day, to provide information on vehicles subject to nonconsensual towing; sets design requirements; generally requires towing companies to upload information on towed vehicles within 48 hours after the tow

[§§ 30 & 32 — TOWING RATES](#)

Modifies towing rate setting procedures by (1) requiring DMV to provide at least 14 days' notice before holding a public hearing on towing rates; (2) adding an additional comment period when the commissioner amends the rates proposed by the POTC beyond certain parameters; (3) requiring that towing rates be adjusted for inflation in years two and three of the rate-setting cycle; and (4) allowing anyone aggrieved by a rate setting decision to appeal to the Superior Court

[§§ 31 & 43 — POLICE ORDERED TOWING COUNCIL MEMBERSHIP](#)

Adds a consumer advocate to the POTC and requires the council to study operational considerations of towing and storing EVs and the cost of doing so

[§ 33 — LIMITATION ON CONSUMER TOWING COMPLAINTS](#)

Limits the timeframe for filing customer complaints about police-ordered towing to two years after the date the vehicle was towed

[§ 34 — NOTICE OF DMV CHANGES](#)

Requires DMV to give 60 days' written or electronic notice to towers before implementing new internal policies, policy modifications, or form changes

§§ 35 & 36 — TRAFFIC INCIDENT MANAGEMENT (TIM) TRAINING

Requires towing companies on the state or municipal rotation lists to have their employees take DOT traffic incident management training by July 1, 2027, or prior to being placed on a rotation list (whichever is later)

§§ 37 — UNCLAIMED VEHICLE DISPOSAL PROCESS

Modifies procedures for disposing of unclaimed vehicles, including (1) allowing garage owners to start the process 30 days after towing a vehicle, rather than after 15 or 45 days (depending on value); (2) requiring vehicles less than 15 model years old (rather than those worth more than \$1,500) to be initially offered at public auction; and (3) modifying when and how garage owners must send notices on a vehicle's sale

§§ 38, 41 & 42 — NOTICE OF TOW REQUIREMENTS

Requires notices of tow to (1) include the towing bill of rights and a towing bill and (2) be sent by regular mail, in addition to certified mail as existing law requires; eliminates the requirement that towing companies who store vehicles towed under certain police or parking authority orders send a notice of tow (but the department or authority must send the notice and upload vehicle information to the portal)

§§ 39 & 40 — TOWING ADVISORY COUNCIL

Creates a Towing Advisory Council to advise the commissioner on laws and best practices for motor vehicle towing and storage and the redemption and sale of unclaimed vehicles

SUMMARY

This bill makes various changes to motor vehicle and transportation laws. A section-by-section analysis follows.

*Senate Amendment "A" (1) eliminates the underlying bill's provisions on platform carriers for school transportation, electronic issuance licensees, and e-bike helmets; (2) modifies the underlying bill's changes to Local Bridge Program eligibility; (3) adds provisions on vessel records, Department of Motor Vehicles (DMV) background checks, replacement titles, accessible parking awareness day, youth instruction permit holder passenger restrictions, dealer conveyance fees, the dealer franchise act, e-bike and motor-driven cycle definitions, photo requirements for identification cards (ID), towing, and unclaimed vehicle disposal; and (4) makes various minor, technical, and conforming changes.

EFFECTIVE DATE: Various, see below.

§§ 1 & 2 — ACCESSIBLE PARKING PLACARDS

Requires DMV to redesign placards so the expiration date is prominent; specifies that the Accessible Parking Advisory Council's duty to make educational materials includes videos or online trainings; and requires that people who certify eligibility for placards select which criterion an applicant meets

The bill modifies laws on accessible parking application forms, placard design, and the duties of the Accessible Parking Advisory Council.

Placard Design

The bill requires DMV, in consultation with the Accessible Parking Advisory Council, to redesign the accessible parking windshield placard so the placard's expiration date is in bold font, prominent, and clearly visible from outside the vehicle. Starting January 1, 2027, DMV must only issue placards in the redesigned format, but previously issued placards that are otherwise valid remain so until they expire.

Advisory Council Duties

Under current law, the Accessible Parking Advisory Council must make educational materials for medical professionals, law enforcement officers, and the general public about proper placard issuance and use. The bill specifies that these materials include videos or online trainings.

Placard Application Form

By law, applicants for accessible parking placards must submit DMV's application form, which generally must be signed by a qualified person (such as a physician, physician assistant, or advanced practice registered nurse) to certify that the applicant meets the definition of a person with a disability that limits his or her ability to walk and, consequently, is eligible for a placard. Anyone who signs the form does so under penalty of false statement.

In practice, the application form lists the criteria contained in this definition and requires the person certifying the applicant's eligibility to sign under the criteria. The bill (1) codifies the requirement that the form list each eligibility criterion in this definition and (2) requires the form to also instruct the person certifying eligibility to initial which criterion the applicant meets. It also requires the form to contain a QR (quick

response) code or something similar that allows health professionals and others who use it to access educational materials the advisory council develops on eligibility requirements.

As under existing law, certifications by health care professionals must be based on their professional opinion after completing a medically reasonable assessment of the applicant's medical history and current condition in the context of a bona fide health care professional-patient relationship.

EFFECTIVE DATE: October 1, 2026, except the provision on council educational materials is effective upon passage.

Background — Disability That Limits or Impairs Ability to Walk

By law, a person has a disability that limits or impairs ability to walk if the person:

1. cannot walk 200 feet without resting;
2. cannot walk without (a) the use of a cane, brace, crutch, prosthetic device, wheelchair, or other assistive device or (b) help from another person;
3. is restricted by lung disease so that his or her forced respiratory volume or arterial oxygen tension is below certain limits;
4. uses portable oxygen;
5. has a heart condition that creates functional limitations falling within the American Heart Association's Class III or IV severity classification; or
6. is "severely limited" in walking ability due to an arthritic, neurological, or orthopedic condition (23 C.F.R. § 1235.2).

§ 3 — RECIPROCITY FOR Q ENDORSEMENT

Requires DMV to waive the skills test requirement for a Q endorsement to operate a fire apparatus for people that have an out-of-state credential that is substantially equivalent, as determined by the Commission on Fire Prevention and Control

By law, a Q license endorsement indicates that a person is qualified

to operate a fire apparatus. To get an endorsement, a person generally must pass a skills test, but the test is waived for people with qualifying military training and experience.

The bill requires DMV to waive the skills test requirement and issue a Q endorsement to out-of-state license holders that have a substantially equivalent credential from that state. The Commission on Fire Prevention and Control determines which states' credentials have standards that meet or exceed Connecticut's standards and so qualify for reciprocity.

§ 4 — E-SCOOTER WEIGHT LIMIT

Increases current law's e-scooter weight limit from 100 pounds to 110 pounds

The bill increases current law's weight limit for "electric scooters" (e-scooters) from 100 pounds to 110 pounds. In addition to meeting the weight limit, existing law defines an e-scooter as a device that (1) has two or three wheels and handlebars; (2) is designed to be ridden in an upright or seated position; (3) is powered by an electric motor and human power; and (4) has a maximum speed of up to 20 mph, with or without human propulsion on a paved level surface. E-bikes and one-wheeled vehicles are not considered e-scooters.

Existing law excludes e-bikes and e-scooters from the definition of a motor-driven cycle. (E-bikes and e-scooters are regulated more similarly to bicycles.)

EFFECTIVE DATE: October 1, 2026

§ 5 — VEHICLE RENTALS

Adds open air all-terrain, sport, and convertible to the list of vehicle categories for which a car rental company may require a customer to provide a credit card before renting

Existing law generally prohibits short-term car rental companies from requiring customers to show proof of a credit card as a condition for renting a vehicle. However, it allows them to require this proof for (1) passenger motor vehicles ACRISS (formerly, the Association of Car Rental Industry System Standards) or a successor organization classify as full-size elite, premium, premium elite, luxury, luxury elite, oversize, or special or (2) sport utility vehicles designed to transport six or more

people.

The bill additionally allows these car rental companies to require proof of a credit card to rent vehicles ACRISS classifies as open air all-terrain, sport, or convertible.

EFFECTIVE DATE: October 1, 2026

§ 6 — LOCAL BRIDGE PROGRAM ELIGIBILITY

Modifies the definition of “eligible bridges” that may receive grants under the state’s Local Bridge Program

The Local Bridge program gives grants to municipalities to remove, replace, reconstruct, rehabilitate, or improve local bridges. By law, the Department of Transportation (DOT) commissioner makes a priority list of eligible bridges, based on their physical condition, and awards grants to municipalities in the order of priority (CGS § 13a-175s).

Current law defines an “eligible bridge” under the Local Bridge program as a bridge located in one or more Connecticut municipalities that must be removed, replaced, reconstructed, rehabilitated, or improved due to its physical condition, as determined by the DOT commissioner. The bill modifies this “eligible bridge” definition by (1) specifying it applies to vehicular bridges, (2) expanding it to include “vehicular structures,” and (3) expressly requiring that these bridges and structures be municipally owned.

EFFECTIVE DATE: October 1, 2026

§§ 7-11 — VESSEL RECORD PRIVACY

Generally subjects records relating to vessels and vessel titles to the privacy protections that apply to personal information in DMV records under existing law, but allows the disclosure of certain information to a vessel owner

Existing law generally prohibits DMV from disclosing personal information contained in its records unless the disclosure is specifically authorized by state law. The prohibition applies to records related to any DMV-issued document, including driver’s licenses, learner’s permits, identity cards, registrations, and title certificates, but current law specifically excludes records relating to vessels or vessel titles. (Although boating and vessel regulation generally falls under the

Department of Energy and Environmental Protection (DEEP), DMV handles vessel registration and titles.)

The bill eliminates this exclusion and, in doing so, prohibits DMV from disclosing personal information in vessel-related records unless it is disclosed for a purpose authorized in law. It also (1) expands the circumstances under which disclosure is permitted by allowing DMV to disclose the name and address of the person who last registered a vessel to anyone who proves they currently own it and (2) specifically allows DEEP to do the same.

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

HB 5237 (File 410), §§ 1-5, favorably reported by the Transportation Committee, contains identical provisions.

§§ 12-14 — DEFINITION OF “COMMISSIONER” IN CERTAIN LAWS AUTHORIZING BACKGROUND CHECKS

Specifies that “commissioner” refers only to the commissioner or a DMV employee acting on his behalf in several statutes governing background check requirements

Generally, for the purposes of motor vehicle laws, the term “commissioner” refers to the DMV commissioner and any assistant to the commissioner who is designated and authorized by the commissioner and is acting for the commissioner under a designation.

The bill specifies that “commissioner” refers only to the DMV commissioner and to DMV employees acting on his behalf for the purposes of statutes on electronic issuance licensees (§ 6), dealer and repairer licensees (§ 7), and driving instructor licensees (§ 8). Each of these sections require applicants to undergo a fingerprint-based national criminal records check. Under P.L. 92-544, the FBI requires state laws requiring national criminal records checks to meet several criteria before the state may receive criminal history record information from the FBI. Among other things, statutes requiring these records checks may not authorize the receipt of criminal history record information by a private entity.

EFFECTIVE DATE: Upon passage

Background — Related Bill

HB 5237 (File 410), §§ 6-8, favorably reported by the Transportation Committee, contains identical provisions.

§ 15 — REPLACEMENT TITLES

Requires DMV, before issuing a replacement title, to check the VIN against certain databases

By law, before issuing an original title certificate, DMV must check the vehicle identification number (VIN) against DMV's title records and its records of stolen, recovered, unclaimed, and abandoned vehicles. (In practice, DMV implemented the National Motor Vehicle Titling Information System, which is a consolidated database of vehicle title information submitted by states that helps identify vehicle fraud and theft.)

The bill additionally requires DMV to run this check before issuing a replacement title certificate.

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

HB 5237 (File 410), § 9, favorably reported by the Transportation Committee, contains an identical provision.

§ 16 — ACCESSIBLE PARKING

Requires the governor to proclaim the second Monday in July each year as Accessible Parking Awareness Day

The bill requires the governor to proclaim the second Monday in July each year as Accessible Parking Awareness Day. He must do so to promote accessible parking's value, encourage responsible use, and strengthen public education and collaboration. The bill allows suitable exercises to be held in the State Capitol and other locations, as the governor designates, to observe the day.

EFFECTIVE DATE: Upon passage

Background — Related Bill

HB 5237 (File 410), § 10, favorably reported by the Transportation Committee, contains an identical provision.

§ 17 — YOUTH INSTRUCTION PERMIT HOLDERS AND PASSENGER RESTRICTIONS

Allows 16- and 17-year-old learner’s permit holders to have their sibling as a passenger during driving instruction if the sibling also holds a learner’s permit

This bill allows 16- and 17-year-old learner’s permit holders to have their sibling as a passenger during driving instruction if the sibling also holds a learner’s permit. By law, learner’s permit holders may drive only if they have a licensed driver (age 20 or older with at least four years of licensure) riding with and instructing them.

Under current law, the only passengers 16- and 17-year-old permit holders may have during this instruction are their parents or legal guardians, unless they are being instructed by a licensed driving instructor (for example, as a part of a driver’s education course).

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

sSB 234 (File 451), favorably reported by the Transportation Committee, contains identical provisions.

§§ 18 & 19 — DEALER CONVEYANCE FEES

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 and prohibits them from pre-printing vehicle orders and invoices with the dealer conveyance fee amount

The bill modifies requirements related to dealer conveyance fees and motor vehicle prices, generally aligning these requirements with those that apply to fees for add-on consumer goods and services under existing law. By 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.

Advertisements

Under current law, dealers must (1) exclude conveyance or

processing fees from a vehicle's advertised price and (2) separately state the amount of the conveyance fee next to the phrase "Dealer Conveyance Fee." The bill instead requires dealers to include these fees in the advertised price, but keeps the requirement to separately state the fee amount.

By law, dealers must include fees for any add-on consumer good or service in the advertised price of the vehicle and also separately state the amount of these fees next to the phrase "Additional Fees, Charges and Costs."

By law and under the bill, dealers who violate these laws are subject to a fine of up to \$1,000 and may have their license suspended or revoked.

Quoted Price

In the selling price quoted to prospective buyers, current law requires dealers to include, separately stated, the amount of any dealer conveyance fee. The bill requires dealers to both (1) include the dealer conveyance fee in the quoted amount and (2) separately state the amount. As under existing law, it must also state that the conveyance fee is negotiable.

By law, dealers must include fees for any optional add-on consumer good or service in the quoted price and also separately state the amount of each fee and that it is optional.

Under existing 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 DMV, in which case the dealer will reduce the fee by a proportional amount (CGS § 14-62(c)).

Pre-Printed Order and Invoice Forms

For each motor vehicle sale, state law requires dealers to give buyers

an order and an invoice that contain the vehicle's cash selling price and other specified vehicle information and offer terms. Existing law prohibits dealers from pre-printing the vehicle order and invoice with fees for any optional, add-on consumer good or service before discussions with a prospective buyer; the bill extends this prohibition to dealer conveyance fees.

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

sSB 412 (File 410), §§ 1 & 2, favorably reported by the Transportation Committee, contains identical provisions.

§§ 20-25 — DEALER FRANCHISE ACT CHANGES

Limits the circumstances under which manufacturers may require car dealers to construct, renovate, or substantially alter their dealerships; establishes new requirements related to consumer data sharing between dealers and manufacturers; entitles new vehicle dealers to compensation when used vehicles in their inventories are recalled and the necessary parts or remedies are not available for a while

Alterations to Dealerships (§§ 20, 21 & 25)

The bill limits the circumstances under which manufacturers may require car dealers to construct, renovate, or substantially alter (“alter”) their dealerships. Substantial alterations are generally those that majorly impact the architectural features, characteristics, appearance, or integrity of the dealership facility or lot.

Under the bill, a manufacturer can only require dealers to alter their facilities if it (1) demonstrates the alteration is reasonable and justifiable based on a reasonable business consideration (such economic condition projections) and (2) agrees to make a good faith effort to make new vehicles available to the dealer, at the dealer's option, to cover the dealer's alteration costs. The new vehicles must be provided in an amount and mix that is projected, based on a reasonable market analysis, to meet the sales level necessary to cover these costs.

The bill also prohibits a manufacturer from requiring a dealer to alter its dealership if it completed a manufacturer-required alteration to the same component of the facility within the last 10 years.

Exclusions. The bill's limitations do not apply to:

1. routine maintenance reasonably necessary to keep the dealership in attractive condition,
2. changes to items protected by intellectual property rights, or
3. reasonable facility improvements and technological upgrades needed to support technology in a manufacturer's vehicles.

If a manufacturer requires improvements or upgrades to support vehicle technology and a dealer chooses not to make them, the bill allows the manufacturer to refuse to give the dealer any vehicles that require them.

The bill also specifies that it does not allow a dealer to (1) impair or eliminate a manufacturer's intellectual property or trademark rights or interests, including sign design and use, or (2) refuse to change the design or branding of any signs or other branded items, as long as the requirement applies to all dealers nationally.

Incentive Programs. Under the bill, if a dealer alters its facility under an incentive program, the manufacturer may not deny a dealer any payment or benefits that were part of the program's terms when the dealer started participating in it. If a dealer alters its facility under an incentive program on or after October 1, 2026, and the program does not specify a time period during which the dealer will receive payments, manufacturers must provide payments and benefits to the dealer for 10 years after the manufacturer made the program available to the dealer, even if the manufacturer changes or cancels the program.

The bill specifies that it does not prohibit manufacturers from denying payment or benefits if the dealer changes its facilities in a way that makes it no longer compliant with the manufacturer's standards or plans, regardless of whether or not the program changed. Facility changes needed because of damage from natural disasters or required safety upgrades cannot make a dealer noncompliant with a manufacturer's standards or plans, as long as the changes substantially

restore the facility to compliance.

The bill's provisions on facility-related incentives do not apply to (1) lump sum payments for facility upgrade costs; and (2) any facility incentive program in effect on October 1, 2026.

Purchase of Goods, Building Materials, or Services. The bill prohibits manufacturers from requiring dealers who are altering their dealerships to buy goods, building materials, or services (such as flooring and wall coverings) from a manufacturer-chosen vendor if the:

1. dealer can get, from other sources, goods, materials, and services that are substantially similar in appearance, function, design, and quality to the ones from the manufacturer's vendor and
2. manufacturer approves them.

The bill prohibits manufacturers from unreasonably delaying or withholding approval. If a manufacturer denies a dealer's request, it must give the dealer a detailed list of the reasons it did so in writing at the time of the denial.

Consumer Data (§§ 20 & 24)

The bill establishes several requirements related to consumer data sharing between manufacturers (including third parties acting on their behalf) and their dealers. The bill requires manufacturers to comply with applicable state and federal restrictions on reusing or disclosing consumer data and prohibits them from causing a dealer to violate these restrictions.

Under the bill, manufacturers must indemnify the dealer for any claims against the dealer, or damages it incurs, to the extent caused by the manufacturer's disclosure of dealer-provided data in violation of the bill.

The bill also specifies that, in any cause of action against a manufacturer for a violation of the bill's data provisions, the party bringing the action has the burden of proof.

Scope. The bill's data protections apply to personally identifiable financial information that a dealer collects and gives directly to a manufacturer, factory branch, or third party acting on their behalf. It does not apply to data the manufacturer receives from another source, even if it is the same as or similar to data the dealer has.

Statement on Procedures for Safeguarding Consumer Data. The bill requires manufacturers (or third parties acting on their behalf) to give dealers, upon request, a written statement describing the manufacturer's procedures to safeguard consumer data that meet or exceed federal or state requirements. This includes requirements under the federal Gramm-Leach-Bliley Act, which requires companies that offer consumers financial products and services (such as loans) to explain their information-sharing practices to consumers and to safeguard personally identifiable information.

List of Parties With Whom Manufacturer Shared Data. Under the bill, upon a dealer's written request, a manufacturer (or a third party acting on its behalf) must give the dealer a written list of all the consumer data it received from the dealer and all the parties the manufacturer gave the data to in the previous six months. Dealers may only request this information once every six months.

The bill requires that this list indicate specific fields of consumer data that were given to each party. But it does not have to include any party (or the data given to that party) who:

1. was providing services for a manufacturer or dealer and received the data while doing so, so long as the parties had an agreement requiring the service provider to comply with federal and state data privacy requirements, or
2. was previously authorized by the dealer, in writing, to receive the data, so long as the dealer has not withdrawn the authorization in writing.

Access to Dealer's Data Management System. The bill prohibits manufacturers from requiring dealers to allow them direct or indirect

access to the dealer's data management system to get consumer data. However, under the bill, manufacturers may get consumer data from the dealer's system if the dealer gives express consent in a written document, separate from the franchise agreement, that may be withdrawn with 30 days' written notice to the manufacturer. Manufacturers cannot require this consent as a condition for participating in an incentive program that begins on or after October 1, 2026, unless the consent is necessary to get consumer data to implement the program.

If a dealer does not allow a manufacturer access to its system, manufacturers must allow dealers to give them consumer data in a widely accepted file format and through a third-party vendor the dealer chooses.

When Manufacturers May Require Data Sharing. Under the bill, manufacturers may require dealers to give them, or allow them to use, customer information related solely to the manufacturer's vehicle makes to the extent necessary to:

1. satisfy manufacturers' legal notice obligations, including safety or recall notices;
2. complete vehicle sale and delivery;
3. validate and pay customer or dealer incentives;
4. submit claims for services supplied by the dealer for any claim for warranty parts or repairs;
5. analyze the market;
6. evaluate sales and customer satisfaction with the dealer (including surveys); or
7. reasonable marketing purposes that benefit the dealer.

Compensation for Recalled Vehicles in Inventory (§§ 22 & 23)

The bill generally entitles a new vehicle dealer to compensation from

a manufacturer when used vehicles in its inventory are subject to a “stop-sale order” or a “do-not-drive order” because of a federal safety or emissions recall and the necessary parts or remedies are not available for a while.

Eligible Vehicles. Under the bill, if the necessary parts or remedies are not available within 30 days after issuing the recall, a new vehicle dealer that is franchised to sell and service new vehicles from the manufacturer may file a claim for each recalled vehicle that (1) was in its used vehicle inventory on the date the stop-sale order or do-not-drive order was issued or (2) it took into its used car inventory as a consumer trade-in after the date the order was issued. The claim must be filed in a way the manufacturer sets, and the manufacturer may specify how dealers must show eligibility for the compensation, so long as the requirements are not overly burdensome.

Compensation Amount. Under the bill, the compensation must equal at least 1% of the used vehicles’ value per month, starting 30 days after the recall is issued and ending when the (1) parts are or remedy is available to the dealer or (2) dealer sells, trades, or otherwise gets rid of the vehicle. Like other claims by dealers under existing law, the bill requires manufacturers to pay these claims within 30 days after approving them.

Instead of compensation calculated as described above, a manufacturer may (1) compensate a dealer under a national recall compensation program, so long as the amount is higher than a dealer would otherwise receive, or (2) enter into an agreement with a dealer for compensation in an alternate form or amount. Compensation provided to the dealer is otherwise exclusive and cannot be combined with other state or federal recall remedies.

Under the bill, a dealer is not entitled to compensation higher than the vehicle’s value. The vehicle’s value, for purposes of calculating compensation, is the average trade-in value for the vehicle determined with nationally recognized industry data or pricing guides.

The bill prohibits manufacturers from offsetting or reducing the

compensation they owe to dealers under the bill, including (1) through a charge-back program; (2) any reduction in an amount owed to a dealer through an incentive program; or (3) the removal of a dealer from an incentive program, if it is done because the dealer applied for compensation. These limitations do not apply to manufacturer actions that apply uniformly to all new vehicle dealers of the same line and make of vehicles in the state.

EFFECTIVE DATE: October 1, 2026

Background — Motor Vehicle Franchises and Dealerships

Under the laws governing motor vehicle franchises, a motor vehicle manufacturer makes or assembles new motor vehicles for distribution to dealers or through distributors. A dealer sells motor vehicles and holds a valid sales and service agreement, franchise, or contract with a manufacturer for retail sale of the vehicles (CGS § 42-133r).

Background — Related Bill

sSB 412 (File 410), §§ 3-6, favorably reported by the Transportation Committee, contains substantially similar provisions.

§§ 26 & 27 — E-BIKE AND MOTOR-DRIVEN CYCLE DEFINITIONS

Modifies the motor capacity limits for e-bikes and motor driven cycles

The bill makes bicycles with motors of exactly 750 watts e-bikes under the law. It does so by modifying the motor limit in the e-bike’s definition from less than 750 watts to 750 watts or less.

The bill also modifies the definition of motor-driven cycle by eliminating the five brake horsepower limit for these vehicles. It retains existing law’s requirement that these cycles have a capacity less than 50 cubic centimeters (cc) or a wattage of 3,700 watts or less, as applicable.

EFFECTIVE DATE: October 1, 2026

§ 28 — WAIVER OF NEW PHOTO REQUIREMENT FOR CERTAIN ID CARDS

Gives the DMV commissioner discretion to waive this requirement for people age 65 or older or with certain disabilities or medical conditions who are (1) renewing an ID card or (2) replacing their driver's license with an ID card

Under current law, a person must get a new picture taken every other time they renew a driver's license or non-driver ID card (generally, every 16 years). The bill gives the DMV commissioner discretion to waive this requirement for people age 65 or older or with certain disabilities or medical conditions who are (1) renewing an ID card or (2) replacing their driver's license with an ID card.

Under the bill, the commissioner can waive the new photo requirement and use the picture the department has on file if he determines the person is age 65 or older or has a medical condition or disability that substantially impairs mobility or the ability to appear in person. The person requesting a waiver must meet all other requirements for renewing an ID card. The bill specifies that it does not require the ID card to be compliant with the federal Real ID law. (Under this law, a person must have their photo updated at least every 16 years.)

The bill requires DMV to establish procedures to renew or issue the ID cards by mail or electronic communication and can require any documentation necessary to determine eligibility for the waiver. It also specifies that it does not require the commissioner to grant any waiver that would compromise ID card integrity or facilitate fraud or misuse.

EFFECTIVE DATE: July 1, 2026

§§ 29 & 41 — ELECTRONIC TOWED VEHICLE PORTAL

Requires DMV to create and maintain an electronic portal on its website, available 24 hours a day, to provide information on vehicles subject to nonconsensual towing; sets design requirements; generally requires towing companies to upload information on towed vehicles within 48 hours after the tow

Starting January 1, 2027, the bill requires DMV to create and maintain an electronic portal on its website, available 24 hours a day, to provide information on vehicles subject to nonconsensual towing. The portal's goal is to help the public figure out if their vehicle was towed, and if so, where it is stored. The bill specifies the portal provisions do not apply

to consensual towing or to repossession.

Portal Design and Features

The bill requires the portal to be publicly accessible and searchable and prohibits it from requiring people to create an account to access the information. It must also (1) be easily operated and accessible, both when submitting and searching for information on towed and stored vehicles and (2) allow towing companies, garage owners, police departments, or parking authorities to submit information to the portal.

When designing or significantly updating the portal, DMV must consult with the Towing Advisory Council the bill establishes (see below) to ensure the portal meets these goals. DMV must also consider whether the portal may be used to allow towing companies to electronically file DMV forms and whether doing so may substitute for mailing them.

Uploading to the Portal

Starting January 1, 2027, the bill requires towing companies and garage owners to upload information to the portal within 48 hours after the vehicle was towed. The portal must require submission of enough information to identify the vehicle, the storage location, the towing company's or garage's identity and contact information, and any other information DMV, in consultation with the Towing Advisory Council, requires. Towing companies and garage owners must also update the portal with changes in the vehicle's status, as DMV requires.

The bill prohibits DMV from imposing a civil penalty for violating the uploading requirements if the towing company or garage owner (1) failed to upload information due to a documented technological issue or temporary power or internet outage and (2) uploads the information as soon as possible after the issue is resolved or power or internet is restored.

Towing Bill of Rights

The bill requires DMV to add a link to the portal on the towing bill of rights and a description of the information available on the portal.

EFFECTIVE DATE: July 1, 2026, except the provision on the towing bill of rights is effective October 1, 2026.

Background — Related Bill

sHB 5465 (File 419), § 1, contains substantially similar provisions.

§§ 30 & 32 — TOWING RATES

Modifies towing rate setting procedures by (1) requiring DMV to provide at least 14 days' notice before holding a public hearing on towing rates; (2) adding an additional comment period when the commissioner amends the rates proposed by the POTC beyond certain parameters; (3) requiring that towing rates be adjusted for inflation in years two and three of the rate-setting cycle; and (4) allowing anyone aggrieved by a rate setting decision to appeal to the Superior Court

By law, nonconsensual towing and storage rates are set every three years by the DMV commissioner, with different processes for (1) vehicle storage rates and private property trespass towing rates and (2) police-ordered towing rates. In the latter case, the commissioner's rates are based on recommendations from the Police-Ordered Towing Council (POTC). (In practice, the commissioner generally delegates his authority to make rate decisions to a hearing officer.)

The bill modifies these rate setting processes by (1) requiring DMV to provide at least 14 days' notice before holding a public hearing on police-ordered towing rates or private property trespass towing rates; (2) establishing an additional procedural step in the police-ordered towing rate process if the commissioner adjusts the rate schedule beyond certain parameters; (3) requiring that private property trespass towing rates and police-ordered towing rates be adjusted in years two and three of the three-year rate setting cycle, and (4) allowing anyone aggrieved by a towing rate decision to appeal to the Superior Court.

EFFECTIVE DATE: Upon passage

Notice of Hearing

The bill requires DMV to give 14 days' notice before any public hearing on police-ordered towing rates or private property trespass towing rates by (1) posting it on its website and (2) giving notice to each member of the Towing Advisory Council or POTC, as applicable.

Annual Adjustment

The bill requires police-ordered towing rates and private property trespass towing rates to be automatically adjusted in years two and three of the three-year rate setting cycle. Specifically, in these years, the commissioner must (1) adjust the prior year's rates by a percentage equal to the average of the increase in the consumer price index for all urban consumers and the increase in the transportation producer price index and (2) post the new rates on DMV's website by December 1, which is one month before the adjusted rates take effect.

The adjustment applies immediately to police-ordered towing rates (which have not yet been adopted, but temporary rates have been set) but not until the next three-year cycle (starting January 1, 2029) for private property trespass towing rates. (In practice, the private property trespass towing rates adopted in January 2027 already include an annual adjustment.)

Police-Ordered Towing Rate Procedures

Under current law, the DMV commissioner receives a recommended rate schedule from the POTC and, after holding a public hearing on the proposed schedule, may adjust any rate included on the schedule. The bill establishes an additional comment period that is triggered when the commissioner (1) increases or reduces any rate or charge on the proposed schedule by more than 10% or (2) eliminates or adds any specialized equipment charge the POTC included on the proposed schedule.

If he does either of these things, he must (1) issue a preliminary rate schedule, (2) post it on DMV's website and provide it to each POTC member, and (3) allow for at least 15 days for public comment. After the comment period ends, DMV must review comments received, consider whether to modify the preliminary schedule, prepare a written response to the comments, and post them on DMV's website. After he does these things, he must establish and publish the final rate schedule.

The bill also shortens, from within 90 days to within 60 days, the time period within which the commissioner must hold a hearing on proposed

POTC rate schedule and make a final decision.

Appeal

The bill allows anyone aggrieved by any police-ordered towing or private property trespass towing rate setting action by the commissioner to appeal to the New Britain Superior Court.

§§ 31 & 43 — POLICE ORDERED TOWING COUNCIL MEMBERSHIP

Adds a consumer advocate to the POTC and requires the council to study operational considerations of towing and storing EVs and the cost of doing so

Membership

By law, the POTC is charged with advising DMV on policies affecting police-ordered towing and developing proposed rate schedules for police-ordered towing.

The bill adds a consumer advocate to the POTC, increasing council membership from 12 to 13. As with other POTC appointees, the consumer advocate is appointed by the governor, who must make his initial appointment by October 15, 2026.

The bill also specifies that the transportation, energy and environmental protection, emergency services and public protection, and insurance commissioners must designate an employee with relevant experience to be a member of the POTC. Current law makes these commissioners members of the council but allows them to appoint a designee in their place.

Under existing law, unchanged by the bill, the other members of the POTC are:

1. three representatives from towing and recovery organizations;
2. two representatives from commercial trucking organizations;
3. one representative from a police chiefs' association and one from a fire chiefs' association; and
4. one representative of the insurance industry.

Study on EV Rates

The bill requires the POTC to study the operational considerations of towing and storing EVs, including (1) comparing the operating costs of towing an EV to those for towing a vehicle with an internal combustion engine and (2) determining whether the hourly police-ordered towing rates cover those costs. By January 1, 2027, the POTC must submit the report and any recommendations to the Transportation Committee.

EFFECTIVE DATE: October 1, 2026, except the study provision is effective upon passage.

Background — Related Bill

sHB 5465 (File 419), § 3, adds a consumer advocate to the council.

§ 33 — LIMITATION ON CONSUMER TOWING COMPLAINTS

Limits the timeframe for filing customer complaints about police-ordered towing to two years after the date the vehicle was towed

Under existing law, DMV receives, processes, and investigates customer complaints about licensed dealers and repairers. (By law, towing companies must be licensed as a dealer or repairer.) The bill limits the timeframe for filing this kind of complaint to two years after the date the vehicle was towed.

By law, these complaints are generally handled by DMV through proceedings governed by the Uniform Administrative Procedure Act.

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

sHB 5465 (File 419), § 5, sets a one-year limit on filing these claims.

§ 34 — NOTICE OF DMV CHANGES

Requires DMV to give 60 days' written or electronic notice to towers before implementing new internal policies, policy modifications, or form changes

The bill requires DMV to consult with the Towing Advisory Council the bill creates (see below) before adopting new, or modifying existing, internal policies, procedures, and forms that affect towing companies. It also requires the commissioner to give towing companies who have a

registered tow truck 60 days' written or electronic notice before implementing these new or modified policies, procedures, or forms.

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

sHB 5465 (File 419), § 6, contains substantially similar provisions.

§§ 35 & 36 — TRAFFIC INCIDENT MANAGEMENT (TIM) TRAINING

Requires towing companies on the state or municipal rotation lists to have their employees take DOT traffic incident management training by July 1, 2027, or prior to being placed on a rotation list (whichever is later)

The bill requires individual owners and employees of towing companies that are included in the State Police's rotational system for summoning wreckers (tow rotation list) or a municipal tow rotation list to take TIM training provided by DOT. Individual owners must take the training by July 1, 2027, or prior to being placed on a rotation list (whichever is later). Employees who provide towing services for the towing companies on these rotation lists must take the training by July 1, 2027, or within one year of the date of hire (whichever is later).

In practice, DOT provides this training, for free, on a regular basis. It is targeted to emergency management professionals, law enforcement, fire and emergency medical services, towing and recovery professionals, and transportation and public works employees. It covers (1) responder safety, (2) safe, quick clearance practices, and (3) communication and coordination between all those responding to traffic incidents.

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

sHB 5465 (File 419), §§ 7 & 8, contain substantially similar provisions.

§§ 37 — UNCLAIMED VEHICLE DISPOSAL PROCESS

Modifies procedures for disposing of unclaimed vehicles, including (1) allowing garage owners to start the process 30 days after towing a vehicle, rather than after 15 or 45 days (depending on value); (2) requiring vehicles less than 15 model years old (rather than those worth more than \$1,500) to be initially offered at public auction; and (3) modifying when and how garage owners must send notices on a vehicle's sale

Timeframe for Disposal

Under current law, towing companies and garage owners (hereinafter collectively, “garage owners”) may start the process of selling an unclaimed vehicle (such as submitting required forms) after they have had it for (1) 15 days, if the vehicle’s market value is \$1,500 or less, or (2) 45 days, if the vehicle’s market value is more than \$1,500. But they must hold it for at least 30 days or 60 days, respectively, before they can complete the sale.

The bill instead allows garage owners to start the process of selling unclaimed vehicles after 30 days, regardless of value. It correspondingly eliminates requirements related to valuing unclaimed vehicles and the specific amount of time a garage owner must hold a vehicle before completing the sale. However, as under existing law, garage owners must still wait until they receive required documentation from DMV (such as the affidavit of compliance) and complete all notice requirements and waiting periods (such as the minimum five day waiting period after notifying the owner of the proposed sale) before selling the vehicle.

Auction Requirements

The bill requires unclaimed vehicles that are less than 15 model years old, rather than those valued at more than \$1,500, to initially be offered for sale at a public auction at the garage owner’s place of business. Vehicles 15 model years old or older (rather than those valued at \$1,500 or less) may be sold or scrapped by the garage owner without being offered at auction first.

The bill also restores a provision eliminated in PA 25-55 allowing a garage owner to (1) set a minimum bid equal to the accumulated charges and obligations with respect to the tow and (2) sell or dispose of the vehicle if he or she does not receive this.

The bill also requires garage owners to give notice of each public auction by (1) submitting information to the portal the bill creates and (2) publishing notice in a newspaper of general circulation or by prominently posting it on the garage owner's website.

Notice of Intent to Sell and Notice of Proposed Sale

By law, garage owners must send to vehicle owners, lienholders, and DMV a (1) notice of intent to sell and (2) notice of proposed sale. The notice of intent to sell starts the disposal process, providing information on the process to owners and lienholders and acting as an application to get the DMV documentation (affidavit of compliance) needed to sell the vehicle. The notice of proposed sale informs owners and lienholders that the vehicle will be sold.

When Notices are Not Required. In practice, garage owners send the notice of intent to sell and the notice of proposed sale to the address on file with DMV for the current or most recent registered owner. The bill exempts garage owners from sending these notices to these individuals if (1) they notify the garage owner in writing that they do not currently own the vehicle or do not want to receive further notices about the vehicle's disposal or (2) the notice of tow was returned as undeliverable. In these cases, garage owners still must update the towed vehicle portal and retain records of the written notice or returned mail for three years.

Method of Mailing. Under current law, garage owners must send these notices by certified mail, return receipt requested. The bill instead requires sending them through regular mail, postage prepaid.

EFFECTIVE DATE: October 1, 2026

Background — Related Bill

sHB 5465 (File 419), § 9, contains substantially similar provisions.

§§ 38, 41 & 42 — NOTICE OF TOW REQUIREMENTS

Requires notices of tow to (1) include the towing bill of rights and a towing bill and (2) be sent by regular mail, in addition to certified mail as existing law requires; eliminates the requirement that towing companies who store vehicles towed under certain police or parking authority orders send a notice of tow (but the department or authority must send the notice and upload vehicle information to the portal)

Under the bill, towing companies must include a copy of the towing bill of rights and an itemized towing bill in each notice of tow it mails to vehicle owners and lien holders. The towing bill must include (1) the towing charges for towing the vehicle and (2) the daily storage rate, with an explanation that storage charges will accumulate at that rate until the vehicle is redeemed. It must also explain that charges for necessary administrative services will be charged at the time of vehicle redemption.

The bill generally requires that these notices be mailed by regular mail, postage prepaid, in addition to certified mail as existing law requires. This applies to notices of tow sent by wreckers, as well as those police departments and parking authorities must send. Generally, for vehicles with known owners, these notices must be sent within 48 hours after the vehicle is towed or taken into custody.

The bill also eliminates the requirement that towing companies who store vehicles taken into custody under an order by a police department or parking authority (1) make a reasonable effort to identify vehicle owners and lienholders and (2) send a notice of tow. Under existing law, unchanged by the bill, the department or authority is responsible for sending the notice of tow. The bill additionally requires them to upload vehicle information to the towed vehicle portal.

Background — Towing Bill of Rights

By law, DMV and the attorney general must create and update a towing bill of rights with at least the following information:

1. a summary of a vehicle owner's or operator's rights and responsibilities if their vehicle is towed,
2. when a towing company must be available to redeem vehicles or personal property,

3. the towing and storage rates and other fees that towing companies may charge,
4. a description of the records and photos a vehicle owner or operator may request from the towing company,
5. a warning that towing companies may sell unclaimed towed vehicles under the law's vehicle disposal process, and
6. information on filing a consumer complaint with DMV.

Background — Related Bill

sHB 5465 (File 419), §§ 10, 12 & 14, contain substantially similar provisions.

§§ 39 & 40 — TOWING ADVISORY COUNCIL

Creates a Towing Advisory Council to advise the commissioner on laws and best practices for motor vehicle towing and storage and the redemption and sale of unclaimed vehicles

The bill creates a Towing Advisory Council to advise DMV on laws, regulations, and best practices related to nonconsensual towing and towed vehicle storage, redemption, and sale.

Membership

The DMV commissioner must appoint to the council (1) two DMV employees, (2) three towing and recovery professionals in the state, with the advice and consent of an organization representing a majority of towing and recovery professionals in the state, (3) two consumer advocates; (4) two law enforcement officers; and (5) two insurance representatives. The council must select the chair from among its members at the first meeting.

Appointments must be made by August 1, 2026, and members serve for three-year terms and until a successor is appointed. The commissioner must fill any vacancy within 30 days.

The commissioner must schedule the first meeting by September 1, 2026. The council may consult with any other agencies, officials, or interested parties the council deems appropriate to complete its work.

Required Study

Under the bill, the council must evaluate ways to:

1. make sure vehicle owners get notified when their vehicles are towed,
2. improve owners' ability to redeem their towed vehicles, and
3. modernize and improve the process of selling vehicles at public auction, including (a) evaluating the feasibility of online auctions and third-party auctions and (b) recommending changes to the law.

The council must submit an interim report on January 1, 2027, and a final report by January 1, 2028.

EFFECTIVE DATE: July 1, 2026, for the provision establishing the council and October 1, 2026 for the study provision.

Background — Related Bill

sHB 5465 (File 419), §§ 11 & 12, contain similar provisions.

COMMITTEE ACTION

Transportation Committee

Joint Favorable Substitute

Yea 35 Nay 1 (03/16/2026)