



RIGHT TO CHOOSE AND ANTI-STEERING LAW IN CONNECTICUT

General Assembly

Raised Bill No. 288

February Session, 2008

LCO No. 1841

01841_____TRA

Referred to Committee on Transportation

Introduced by:

(TRA)

AN ACT CONCERNING AN INSURED'S RIGHT TO CHOOSE A MOTOR VEHICLE REPAIRER.

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

Section 1. Section 38a-354 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2008):

(a) (1) No automobile physical damage appraiser shall require that appraisals or repairs should or should not be made in a specified facility or repair shop or shops.

(2) The appraiser shall include with the appraisal the following notice in clear and conspicuous boldface type of at least ten point type:

"PURSUANT TO CONNECTICUT LAW, THE INSURED HAS A RIGHT TO CHOOSE THE REPAIR FACILITY TO PERFORM REPAIRS TO A MOTOR VEHICLE, AND AN INSURANCE COMPANY MAY NOT INTERFERE WITH THE INSURED'S CHOICE OF REPAIRER."

(b) No insurance company doing business in this state, or agent or adjuster for such company shall recommend, request or require any insured to use a specific person for the provision of automobile physical damage repairs, automobile glass replacement, glass repair service or glass products. [unless otherwise agreed to in writing by the insured.]

(c) As used in this section, "recommend, request or require" shall include any act to influence an insured's decision, including, but not limited to, (1) reducing the amount of deductible or premium or

offering additional warranties if the insured chooses a preferred repair facility, or (2) suggesting that choosing a facility other than a preferred facility will result in delays in repairing the motor vehicle, a lack of guaranty for repair work or additional costs to the insured, provided an insurance company or appraiser may provide an insured with an alphabetical list of all licensed repairers within the zip code and adjoining zip codes of such insured's address.

Sec. 2. Section 38a-352 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2008):

(a) All claims paid by an insurer, a holding company of an insurer or a wholly owned subsidiary of an insurer for any loss to motor vehicles or any claim for damages to motor vehicles, shall be paid to the claimant by check, electronic transfer to the claimant or other means that provide the claimant immediate access to the funds.

(b) The labor rate for the repair of damage to a motor vehicle that is paid by an insurer, a holding company of an insurer or a wholly owned subsidiary of an insurer to the claimant shall be the usual and customary rate for such repairs. As used in this subsection, "usual and customary rate" shall mean the labor rate that the general public commonly pays for similar repairs to similar vehicles in the same geographic area of the state.

(c) Any violation of the provisions of this section by an insurer shall be deemed an unfair or deceptive insurance practice under section 38a-816.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2008	38a-354
Sec. 2	July 1, 2008	38a-352

Statement of Purpose:

To clarify and extend the present "antisteering" law that prohibits insurers from requiring an insured to choose a certain motor vehicle repairer as a condition of paying for repairs, and to require insurers to pay the usual and customary hourly rate that the general public in the same geographic area of the state commonly pays for such 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.]