

Bill No. 1645

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Referred to Committee on *TRANSPORTATION*

LCO No. 4861

Introduced by SEN. GUNTHER - 21ST DIST.

General Assembly,

January Session, A.D., 1971

AN ACT CONCERNING LICENSING OF MOTOR VEHICLE DEALERS AND SALESMEN.

CONNECTICUT
STATE LIBRARY
LEGISLATIVE REFERENCE
SECTION

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

Sec. 1. As used in this act: (1) "Motor vehicle" means any vehicle defined in subdivision (26) of section 14-1, of the 1969 supplement to the general statutes.

(2) "Motor vehicle dealer" means any person, firm, association, corporation or trust, engaged in the business of buying, selling, exchanging, offering, auctioning, soliciting, or advertising the sale of new, or used motor vehicles, trailers or motorcycles, accept receivers, trustees, administrators, executors, guardians, or other persons appointed by, or acting under a judgment or order of any court; or public officers while performing their official duties; or employees of motor vehicle dealers when engaged in the specific performance of their duties as such employees; or any person engaged in an isolated sale of a motor vehicle in which he is the registered and/or legal owner thereof; or any person, firm, association, corporation or trust, engaged in selling equipment other than motor vehicles, used for agricultural or industrial purposes.

(3) "Motor vehicle salesman" means any person who for any form of compensation sells, auctions, or offers to sell motor vehicles, trailers or motorcycles on behalf of a motor vehicle dealer.

(4) "Commissioner" means the commissioner of motor vehicles who shall administer and enforce the provisions of this act.

(5) "Manufacturer" means any person, firm, association, corporation or trust, resident or nonresident, who manufactures or assembles new and unused motor vehicles.

(6) "Distributor" means any person, firm, association, corporation or trust, resident or nonresident, who in whole or in part offers for sale, sells or distributes any new and unused motor vehicle to motor vehicle dealers or who maintains factory representatives.

(7) "Factory branch" means a branch office maintained by a manufacturer for the purpose of selling or offering for sale, motor vehicles to a distributor, wholesaler or motor vehicle dealer, or for directing or supervising in whole or in part factory or distributor representatives, and shall further include any sales promotion organization, whether the same be a person, firm or corporation, which is engaged in promoting the sale of new and unused motor vehicles in this state of a particular brand or make to motor vehicle dealers.

(8) "Factory representative" means a representative employed by a manufacturer, distributor, or factory branch for the purpose of making or promoting for the sale of its motor vehicles or for supervising or contracting with its dealers or prospective dealers.

(9) "Established place of business" means a permanent enclosed building or structure, either owned in fee or leased, actually occupied and easily accessible to the public, located and constructed in conformity with applicable zoning laws, at which a permanent business of bartering, trading and selling of vehicles will be carried on as such, wherein the public may contact the owner or operator at all reasonable times and at which place of business shall be kept and maintained the books, records and files necessary to conduct the business at such place. The established place of business shall display a

permanent sign thereon with letters clearly visible to the major 61
avenue of traffic. 62

Sec. 2. No motor vehicle dealer or motor vehicle salesman 62
shall engage in business as such, in this state without first 63
obtaining a license as provided in this act; provided, a motor 64
vehicle dealer shall not be required to have a motor vehicle 65
salesman's license. 66

Sec. 3. A motor vehicle dealer or salesman may apply for a 66
license by filing with the commissioner an application in such 67
form as the commissioner may prescribe and upon payment of the 68
necessary fee as herein provided. 69

Sec. 4. Every application shall contain the following 69
information to the extent the same is applicable to the 70
applicant: (1) The applicant's honesty and reputation; (2) the 71
applicant's form and place of organization; (3) the qualification 72
and business history of the applicant, and in the case of a motor 73
vehicle dealer, any partner, officer or director; (4) whether the 74
applicant has been found guilty of any felony within the past 75
five years involving moral turpitude, or for any misdemeanor 76
concerning fraud or conversion, or suffering any judgment in any 77
civil action involving fraud, misrepresentation or conversion and 78
in the case of a corporation or partnership, all directors, 79
officers or partners; (5) the applicant's financial condition or 80
history including whether the applicant or any partner, officer 81
or director has ever been adjudged bankrupt or has any 82
unsatisfied judgment in any federal or state court; (6) any other 83
information the director may require; (7) if the applicant is a 84
motor vehicle dealer, information as to the type of business he
will be engaged in, including; (A) name or names of new cars the
motor vehicle dealer wishes to sell, (B) the name and addresses
of each manufacturer or distributor from whom the applicant has
received a franchise, (C) whether the applicant intends to sell
used motor vehicles, and if so,

whether he has space available for servicing and repairs, and (D) 86
 a statement by the chief executive officer of the municipality in 87
 which the applicant's place of business is located that such 88
 applicant has "an established place of business" in such 89
 municipality which has been approved in accordance with section 90
 14-53 to 14-57, inclusive of the general statutes.

(8) If the application is for a salesman's license, a 91
 certification by the employing motor vehicle dealer that he has 92
 examined the background of the applicant and to the best of his 93
 knowledge the applicant is of good moral character.

Sec. 5. After the application has been filed and the fee 94
 paid, the director shall, if no denial order is in effect and no 95
 proceeding is pending under sections 14 or 15 of this act, issue 96
 the appropriate license.

Sec. 6. The license issued to each motor vehicle dealer 97
 shall specify the location of the dealership, place of business 98
 or office of the agency. In case such location is changed the 99
 department shall be notified within ten days and a new license 100
 shall be required. A motor vehicle dealer maintaining one or 101
 more places of business shall be required to obtain a license for 102
 each place of business, including a branch or subagency. A motor 103
 vehicle dealer's license shall upon the death, or incapacity of 104
 an individual motor vehicle dealer authorize the personal 105
 representative of such dealer, subject to payment of license 106
 fees, to continue the business for a period of six months from 107
 the date of said death or incapacity.

Sec. 7. The license issued to the motor vehicle salesman 107
 shall be sent to the salesman by the commissioner and shall be 108
 posted in a conspicuous place on the premises of the dealer by 109
 whom the salesman is employed during the period of the salesman's 110
 employment. When a salesman begins or terminates a connection 111
 with a motor vehicle dealer, the salesman and dealer shall 112
 promptly notify the commissioner in writing, in the form 113
 prescribed by the commissioner. In addition to other information 114
 required by the commissioner, the motor vehicle dealer with whom 115

the salesman is beginning a connection shall certify that he has 115
examined the background of the salesman and, to the best of his 116
knowledge, the salesman is of good moral character. 117

Sec. 8. Registration of a motor vehicle dealer or motor 118
vehicle salesman shall be effective for one year and may be 119
renewed by filing with the commissioner prior to the expiration 120
thereof, an application containing such information as the 121
commissioner may require to indicate any material change in the 122
information contained in the original application.

Sec. 9. The commissioner may deny, suspend or revoke the 123
license of any motor vehicle dealer or salesman if he finds that 124
such action is in the public interest and that the applicant, or 125
licensee, or in the case of a motor vehicle dealer, any partner, 126
officer or director or majority stockholder: (1) Was previously 127
the holder of a license issued under this amendatory act, which 128
was revoked for cause and never reissued by the department, or 129
which license was suspended for cause and the terms of the 130
suspension have not been fulfilled; (2) has been found guilty of 131
any felony within the past five years involving moral turpitude, 132
or for any misdemeanor concerning fraud or conversion, or 133
suffering any judgment in any civil action involving fraud, 134
misrepresentation or conversion; (3) has made a false statement 135
of a material fact in his application or in any data attached 136
thereto; (4) has failed to comply with any regulation or order 137
issued in accordance with this act; (5) has defrauded or 138
attempted to defraud the state, or a political subdivision 139
thereof of any taxes or fees in connection with the sale or 140
transfer of a motor vehicle; (6) has forged the signature of the 141
registered or legal owner on a certificate of title; (7) has
purchased, sold, or disposed of a motor vehicle which such
applicant or licensee knows or has reason to know has been stolen
or appropriated without the consent of the owner; (8) has
wilfully failed to deliver to a purchaser a certificate of
ownership to a motor vehicle which the applicant or licensee has
sold; (9) has suffered or permitted the cancellation of a

fidelity bond or the exhaustion of the penalty thereof; (10) has 142
 failed to comply with the provisions of this act including 143
 notices, or reports of transfers of vehicles, or the maintenance 144
 of records, or has caused or suffered or is permitting the 145
 unlawful use of the dealer license certificate or dealer license 146
 plates; (11) has committed any act in violation of section 14 of 147
 this act; (12) is a motor vehicle dealer who does not have an 148
 established place of business as defined in this chapter, or 149
 employs an unlicensed salesman, or refuses to allow 150
 representatives or agents of the department to inspect during 151
 normal business hours all books, records and files maintained 152
 within this state, knowingly employs a salesman whose license has 153
 been denied, or revoked within the last year, or is currently 154
 suspended; (13) is an applicant for a salesman's license who was 155
 previously the holder of, or was a partner in a partnership, or 156
 was an officer, director, or stockholder involved in management 157
 of a corporation which was the holder, of a license which was 158
 revoked for cause and never reissued or was suspended and the 159
 terms of the suspension have not been terminated; (14) is 160
 insolvent, either in the sense that his liabilities exceed his 161
 assets, or in the sense that he cannot meet his obligations as 162
 they may mature. 163

Sec. 10. Upon the entry of any order under section 9 of 158
 this act the commissioner shall promptly notify the applicant or 159
 licensee, as well as the employer or prospective employer, if the 160
 applicant or licensee is a salesman, that the order has been 161
 entered, and of the reasons therefor, and that if requested by 162
 the applicant or licensee within fifteen days after the receipt 163
 of the commissioner's notification, the matter will be promptly 164
 set down for hearing. If no hearing is requested and none is 165
 ordered by the commissioner, the order will remain in effect 166
 until it is modified or vacated by the commissioner. If a 167
 hearing is requested or ordered, the commissioner, or his 168
 personal representative, after notice of and opportunity for 169
 hearing, may modify or vacate the order, or extend it until final 170

determination. No final order may be entered under section 9 169
 denying or revoking a license without appropriate prior notice to 170
 the applicant or licensee and the employer or prospective
 employer, if the applicant or licensee is a salesman, opportunity 171
 for hearing and written findings of fact and conclusions of law. 172

Sec. 11. (a) The fees under this act shall be as follows: 174

- (1) For a motor vehicle dealer's license the fee as provided 175
 in section 14-52 of the 1969 supplement to the general statutes; 176
- (2) for location change by a motor vehicle dealer five dollars; 177
- (3) for each motor vehicle salesman, ten dollars per year; (4)
 for transfer of a motor vehicle salesman from one motor vehicle 178
 dealer to another motor vehicle dealer, a transfer fee of five 179
 dollars.

Sec. 12. Every application for license shall be retained by 180
 the commissioner for a period of three years and shall be 181
 confidential information for the use of the commissioner, the 182
 attorney general or a state's attorney only; provided upon a
 showing of good cause therefor any court in which an action is 183
 pending by or against the applicant or licensee, may order the 184
 commissioner to produce and permit the inspection and copying or 185
 photographing the application and any accompanying statements.

Sec. 13. For the purpose of any investigation or proceeding 186
 under this act, the commissioner or any officer designated by him 187
 may administer oaths and affirmations, subpoena witnesses, compel 188
 their attendance, take evidence, and require the production of 189
 any books, papers, correspondence, memoranda, agreements, or
 other documents or records which the commissioner deems relevant 190
 or material to the inquiry. In case of contumacy by, or refusal 191
 to obey a subpoena issued to, any person, any court of competent 192
 jurisdiction, upon application by the commissioner, may issue to
 that person an order requiring him to appear before the 193
 commissioner, or the officer designated by him, to produce 194
 documentary or other evidence touching the matter under
 investigation or in question. The failure to obey an order of 196
 the court may be punishable by contempt. No person shall be 197

excused from attending and testifying or from producing books, 197
 records, correspondence, documents or other evidence in obedience 198
 to the subpoena of the board, on the ground that the testimony or 199
 evidence required of him may tend to incriminate him or subject 200
 him to a penalty or forfeiture; but no individual shall be 201
 prosecuted or subjected to any penalty or forfeiture for or on 202
 account of any transaction, matter or thing concerning which he 203
 is compelled, after having claimed his privilege against self- 204
 incrimination, to testify or produce evidence, except that such 205
 individual so testifying shall not be exempt from prosecution and 206
 punishment for perjury committed in so testifying. 207

Sec. 14. (a) It shall be unlawful: (1) To cause or permit 208
 to be advertised, printed, displayed, published, distributed, 209
 broadcasted, televised, or disseminated in any manner whatsoever, 210
 any statement or representation with regard to the sale or 211
 financing of a motor vehicle which is false, deceptive or 212
 misleading, including but not limited to the following: (A) That 213
 no down payment is required in connection with the sale of a 214
 motor vehicle when a down payment is in fact required, or that a 215
 motor vehicle may be purchased for less down payment than is 216
 actually required; (B) that a certain percentage of the sale 217
 price of a motor vehicle may be financed when such financing is 218
 not offered in a single document evidencing the entire security 219
 transaction; (C) that a certain percentage is the amount of the 220
 service charge to be charged for financing, without stating 221
 whether this percentage charge is a monthly amount or an amount 222
 to be charged per year; (D) that a new motor vehicle will be sold
 for a certain amount above or below cost without computing cost
 as the exact amount of the factory invoice on the specific motor
 vehicle to be sold; (E) that a motor vehicle will be sold upon a
 monthly payment of a certain amount, without including in the
 statement the number of payments of that same amount which are
 required to liquidate the unpaid purchase price.

(2) To incorporate within the terms of any purchase and sale 221
 agreement any statement or representation with regard to the sale 222

or financing of a motor vehicle which is false, deceptive, or 223
misleading, including but not limited to terms that include as an 224
added cost to the selling price of a motor vehicle an amount for 225
licensing or transfer of title of that vehicle which is not 226
actually due to the state, unless such amount has in fact been 227
paid by the dealer prior to such sale. 228

(3) To set up, promote, or aid in the promotion of a plan by 229
which motor vehicles are to be sold to a person for a 230
consideration and upon further consideration that the purchaser 231
agrees to secure one or more persons to participate in the plan 232
by respectively making a similar purchase and in turn agreeing to 233
secure one or more persons likewise to join in said plan, each 234
purchaser being given the right to secure money, credits, goods 235
or something of value, depending upon the number of persons 236
joining the plan. 237

(4) To commit, allow, or ratify any act of "bushing" which 238
is defined as taking from a prospective buyer of a motor vehicle 239
a written order or offer to purchase, or a contract document 240
signed by the buyer, which: (A) Is subject to the dealer's, or 241
his authorized representative's future acceptance, and the dealer 242
fails or refuses within forty-eight hours, exclusive of Saturday, 243
Sunday or a legal holiday, and prior to any further negotiations 244
with said buyer to deliver to the buyer either the dealer's 245
signed acceptance or all copies of the order, offer or contract 246
document together with any initial payment or security made or 247
given by the buyer, including but not limited to money, check,
promissory note, vehicle keys, a trade-in or certificate of title
to a trade-in; or (B) permits the dealer to renegotiate a dollar
amount specified as trade-in allowance on a motor vehicle,
delivered or to be delivered by the buyer as part of the purchase
price, because of depreciation, obsolescence, or any other reason
except substantial and latent mechanical defect that could not
have been reasonably discovered at the time of the taking of said
order, offer or contract; provided said physical damage or
mechanical defect shall have occurred before the dealer took

possession of the vehicle; or (C) fails to comply with the 248
obligation of any written warranty or guarantee given by the 249
dealer requiring the furnishing of services or repairs.

(5) Being a manufacturer, distributor, or factory 250
representative or branch to: (A) Coerce or attempt to coerce any 251
motor vehicle dealer to order or accept delivery of any motor 252
vehicle or vehicles, parts or accessories, or any other 253
commodities which shall not have been voluntarily ordered by the 254
said motor vehicle dealer; provided, recommendation, endorsement, 255
exposition, persuasion, urging, or argument shall not be deemed
to constitute coercion; (B) cancel, or, fail to renew the 256
franchise or selling agreement of any motor vehicle dealer doing 257
business in this state without fairly compensating the dealer at
a fair going business value for his capital investment which 258
shall include but not be limited to tools, equipment, and parts 259
inventory, possessed by the dealer on the day he is notified of
such cancellation or termination and which are still within the 260
dealer's possession on the day the cancellation or termination is
effective, if the capital investment shall have been entered into 261
with reasonable and prudent business judgment for the purpose of 262
fulfilling the franchise; and said cancellation or nonrenewal was 263
not done in good faith. Good faith shall be defined as the duty 264
of each party to any franchise to act in a fair and equitable 265
manner towards each other, so as to guarantee one party freedom
from coercion, intimidation, or treats of coercion or 266
intimidation from the other party; provided, recommendation, 267
endorsement, exposition, persuasion, urging or argument shall not 268
be deemed to constitute a lack of good faith; (C) encourage, aid,
abet or teach a motor vehicle dealer to sell motor vehicles 269
through any false, deceptive or misleading sales or financing 270
practices including but not limited to those practices declared
unlawful in this section; (D) coerce or attempt to coerce a motor 271
vehicle dealer to engage in any practice forbidden in this 272
section by either threats of actual cancellation or failure to 273
renew the dealer's franchise agreement; (E) refuse to deliver any

motor vehicle publicly advertised for immediate delivery to any 274
duly licensed motor vehicle dealer having a franchise or 275
contractual agreement for the retail sale of new and unused motor
vehicles sold or distributed by such manufacturer, distributor, 276
or factory representative or branch, within sixty days after such 277
dealer's order shall have been received in writing unless caused 278
by inability to deliver because of shortage or curtailment of
material, labor, transportation or utility services, or to any 279
labor or production difficulty, or to any cause beyond the 280
reasonable control of the manufacturer.

(b) Nothing in this section shall be construed to impair 281
the obligations of a contract or to prevent a manufacturer, 282
distributor, representative or any other person, whether or not 283
licensed under this act, from requiring performance of a written
contract entered into with any licensee hereunder, nor shall the 284
requirement of such performance constitute a violation of any of 285
the provisions of this section; provided any such contract, or 286
the terms thereof, requiring performance, shall have been
theretofore freely entered into and executed between the 287
contracting parties.

Sec. 15. The director shall revoke or refuse to issue a 288
motor vehicle dealer's license for a franchise replacing a 289
cancelled or terminated franchise if a civil action pursuant to 290
section 19 of this act is pending and was filed within sixty days
following the written notification of the cancellation or 291
nonrenewal of an existing franchise and a certified copy of said 292
complaint allowing the date of said notification is filed with
the commissioner within said sixty days by the complaining motor 293
vehicle dealer. The court may, in order to maintain adequate and 294
competitive service in the area or upon a showing of good cause 295
by the manufacturer, distributor or factory branch, order the
commissioner to issue said motor vehicle dealer's license if the 296
dealer complies with other sections of this act. 297

Sec. 16. Upon the filing of a complaint pursuant to 298
section 19 of this act by a complaining motor vehicle dealer 299

within sixty days following the written notification of the 299
cancellation or nonrenewal of the existing franchise, any 300
cancelled or nonrenewed franchise of said complaining dealer 301
shall stay in full force and effect until the complaint has been
expeditiously disposed of, unless the court, pursuant to section 302
15 of this act, has ordered the commissioner to issue a motor 303
vehicle dealer's license to a new franchisee. If a new franchise 304
is given by a manufacturer, distributor or factory branch for the
sale of the same make of motor vehicle in the same area of 305
responsibility in that covered in said cancelled or terminated 306
franchise, such act shall be prima facie evidence that the new 307
franchise replaced the canceled or terminated franchise.

Sec. 17. The commissioner may refer such evidence as may be 308
available concerning violations of this amendatory act or of any 309
rule or order hereunder to a state's attorney, who may, in his 310
discretion, with or without such a reference, in addition to any
other action, bring an action in the name of the state against 311
any person to restrain and prevent the doing of any act or 312
practice herein prohibited or declared unlawful.

Sec. 18. In the enforcement of this act, any state's 313
attorney may accept an assurance of compliance with the 314
provisions of this act from any person deemed in violation 315
hereof. Any such assurance shall be in writing and be filed with 316
and subject to the approval of the superior court of the county 317
in which the alleged violator resides or has his principal place 318
of business.

Sec. 19. Any person who is injured in his business or 319
property by a violation of this act, or any person so injured 320
because he refuses to accede to a proposal for an arrangement 321
which, if consummated, would be in violation of this act, may
bring a civil action in the court of common pleas to enjoin 322
further violations, to recover the actual damages sustained by 323
him together with the costs of the suit, including a reasonable
attorney's fee. Any person recovering judgment or whose claim 325
has been dismissed with prejudice against a manufacturer, 326

distributor or factory representative or branch pursuant to 326
sections 14 and 19 of this act shall, upon full payment of said 327
judgment, or upon the dismissal of such claim, execute a waiver 328
in favor of the judgment debtor or defendant of any claim arising 329
prior to the date of said judgment or dismissal under the Federal
Automobile Dealer Franchise Act. Any person having recovered 331
full payment for any judgment or whose claim has been dismissed
with prejudice under said Federal Automobile Dealer Franchise Act 332
shall have no cause of action under this section for alleged 333
violation of said section 14 of this act, with respect to matters 334
arising prior to the date of said judgment. A civil action 335
brought in the court of common pleas pursuant to the provisions
of section 19 of this act shall be filed no later than one year 336
following the alleged violation.

Sec. 20. Any person who violates the terms of any court 337
order, or temporary or permanent injunction issued pursuant to 338
this amendatory act, shall be fined not more than twenty-five 339
thousand dollars. For the purpose of this section the court 340
issuing any injunction shall retain jurisdiction, and the case 341
shall be continued, and in such cases the state's attorney acting
in the name of the state, or any person who pursuant to section 342
19 of this amendatory act has secured the injunction violated, 343
may petition for the recovery of civil penalties.

Sec. 21. Personal service of any process in an action under 344
this act may be made upon any person outside the state if such 345
person has engaged in conduct in violation of this act which has 346
had the impact in this state which this amendatory act
reprehends. Such person shall be deemed to have thereby 347
submitted himself to the jurisdiction of the courts of this 348
state.

Sec. 22. The provisions of this act shall be applicable to 349
all franchises and contracts existing between motor vehicle 350
dealers and manufacturers or factory branches and to all future 351
franchises and contracts.

Sec. 23. Before issuing a dealer license, the director shall require the applicant to file with said director a surety bond in the amount of ten thousand dollars for a motor vehicle dealer running to the state, and executed by a surety company authorized to do business in the state. Such bond shall be approved by the insurance commissioner as to form and conditioned that the dealer shall conduct his business in conformity with the provisions of this act. Any retail purchaser who shall have suffered any loss or damage by reason of breach of warranty or by any act by a dealer which constitutes a violation of this chapter shall have the right to institute an action for recovery against such dealer and the surety upon such bond. Successive recoveries against said bond shall be permitted by the aggregate liability of the surety to all persons and in no event shall exceed the amount of the bond. Upon exhaustion of the penalty of said bond or cancellation of the bond by the surety the commissioner shall revoke the license of the dealer.

Sec. 24. All persons doing business within this state as a motor vehicle salesman as defined in this act who are required by this act to be licensed by the commissioner shall comply with the provisions hereof no later than January 1, 1972.

Sec. 25. Section 14-51 of the 1969 supplement to the general statutes is repealed and the following is substituted in lieu thereof: [A "new car dealer" includes any person, firm or corporation engaged in the business of merchandising new motor vehicles under a manufacturer's or importer's contract for each such make of vehicle who may, incidental to such business, sell used motor vehicles and repair motor vehicles or cause them to be repaired by qualified persons in his employ. He shall be a person qualified to conduct such business and have a suitable and adequate place of business, which shall be determined to be such by the commissioner. A "used car dealer" includes any person, firm or corporation engaged in the business of merchandising motor vehicles other than new who may, incidental to such business, repair motor vehicles or cause them to be repaired by

qualified persons in his employ. He shall be a person qualified 380
to conduct such business and have a suitable and adequate place 381
of business, which shall be determined to be such by the
commissioner.] A "repairer" includes any qualified person, having 382
a suitable place of business and having adequate equipment, 383
engaged in repairing, overhauling, adjusting, assembling or 384
disassembling any motor vehicle, but shall exclude a person 385
engaged in making repairs to tires, upholstering, glazing, 386
general blacksmithing, welding and machine work on motor vehicles
parts when parts involving such work are disassembled or 387
reassembled by a licensed repairer. A "limited repairer" 388
includes any qualified person, having a suitable place of 389
business and adequate equipment engaged in the business of minor 390
repairs, including repairs and replacement of cooling, 391
electrical, fuel and exhaust systems, brake adjustments, relining
and repairs, wheel alignment and balancing, and repair and 392
replacement of shock absorbers. For the purpose of this section,
the place of business of a limited repairer shall be deemed to be 393
suitable if the building in which the work of the repairer is
performed has space capable of receiving at least one motor 394
vehicle at any one time, exclusive of a grease pit or rack, and
has adequate space for an office and for the storage of parts and 395
accessories. A person shall be deemed capable of performing the
duties of a limited repairer if he is, in the opinion of the 396
commissioner, a qualified mechanic who has a thorough knowledge
of the services to be rendered, or has a certificate of 397
completion of a specialized course from a service school approved 398
by the commissioner, or satisfactory proof of previous employment
by a licensed repairer for a period of three years, or has 399
successfully passed an examination given by the motor vehicle
department. The lubricating of motor vehicles, changing of 400
tires and tubes or installing of light bulbs, windshield wiper 401
blades, spark plugs, fan belts or other similar service 402
incidental to the sale of motor vehicle fuels shall not be 403

construed as constituting the holder of a gasoline pump license 404
in this state a repairer under the provisions of this subdivision
(D).

Sec. 26. Section 14-52 of said supplement is repealed and 405
the following is substituted in lieu thereof: No person, firm or 406
corporation shall engage in the business of the buying, selling, 407
offering for sale or brokerage of any motor vehicle or the
repairing of any motor vehicle without having been issued either 408
a new car dealer's or a used car dealer's UNDER THIS ACT, or a 409
repairer's license UNDER THIS SECTION. The license fee for each 410
of said licenses shall be as follows: New motor vehicle dealer,
twenty-five dollars; used motor vehicle dealer, twenty dollars, 411
and repairer, twelve dollars; each of said fees to be paid to the 412
commissioner of motor vehicles. The terms of each such license 413
shall be for the period beginning on the day of issuance of such 414
license and ending on the last day of February next following.

Sec. 27. Section 14-58 of said supplement is repealed and 415
the following is substituted in lieu thereof: Each new car 416
dealer, used car dealer or repairer before engaging in such 417
business shall make a separate sworn application to the
commissioner for a license to engage in such business in each 418
place of business conducted by him. Such application, IN THE 419
CASE OF A NEW CAR DEALER OR USED CAR DEALER SHALL BE MADE IN
ACCORDANCE WITH SECTIONS 1 TO 24, INCLUSIVE, OF THIS ACT, AND IN 420
THE CASE OF A REPAIRER, shall furnish such information as may be 421
required by the commissioner on blanks to be furnished by him. 422
Each such application shall be accompanied by a fee of forty 423
dollars for each place of business conducted by the applicant 424
together with the annual fee for the type of license for which he 425
is making application, and such fee or fees shall not be subject
to prorating and shall not be subject to refund. No such license 427
shall be transferrable. When such licensee adds buildings or 428
adjacent land to his licensed place of business, he shall apply 429
to the commissioner for inclusion of such building or land in his
license to engage in such business. Such additions to an 431

existing license shall be considered as the same place of 431
business of the licensee and no additional license fee shall be 432
required by the commissioner. When a change of officers of a 433
corporation engaged in such business is made, a notice of such 434
change shall be sent to the commissioner within a period of 436
fifteen days from the date of such change. The commissioner may 437
suspend the license of any corporation, after notice and hearing,
when the newly appointed or elected officers cannot be considered 438
as qualified to conduct such business as provided in section 14- 439
51. Each such licensee shall, instead of registering each motor 440
vehicle owned by him or temporarily in his custody, make
application to the commissioner for a general distinguishing 441
number and mark, and the commissioner may issue to such applicant 442
a certificate or certificates of registration containing the 443
distinguishing number and mark assigned to such applicant, and
made in such form and containing such further information as the 444
commissioner may determine, and, thereupon, each motor vehicle 445
owned by such applicant or temporarily in his custody shall be
regarded as registered under and having assigned to it such 447
general distinguishing number and mark until sold. For the
registration of all motor vehicles, registered under a general 448
distinguishing number and mark, the commissioner shall charge a 449
fee at the rate of eight dollars per annum or any part thereof 450
for each pair of number plates furnished. Registration
certificates issued under the provisions of this section shall 451
not be required to be carried upon such motor vehicles when upon
the public highways as required under subsection (b) of section 452
14-13. Such licensee shall furnish financial responsibility 453
satisfactory to the commissioner as defined in section 14-112, 454
provided such financial responsibility shall not be required from 455
a licensee when the commissioner finds that such licensee is of
sufficient financial responsibility to meet such legal liability. 456
The commissioner may issue such license upon presentation of 457
evidence of such financial responsibility satisfactory to him. 458

STATEMENT OF PURPOSE: To implement the existing procedures for 461
licensing of motor vehicle dealers and establish a licensing 462
procedure for motor vehicle salesmen.

[Proposed deletions are enclosed in brackets and proposed 464
additions are all capitalized, or underlined where appropriate.] 466