

Legislative History for Connecticut Act

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Insurance : P. 37-41 (5)

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CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1967

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June 1, 1967

this bill signify by saying, "aye". Contrary minded. The bill is passed.

Cal. No 1115 File 1242 Senate Bill No. 526. An Act Concerning Motor Vehicle Physical Damage Appraisers. Favorable report of the Committee on Insurance
SENATOR PICCOLO:

I move acceptance of the Committee's favorable report and passage of the bill. Mr. President, this bill is the upgrading required of physical damage appraisers, on this bill it would require that any holder of physical damage appraiser, would have to take an exam, put up by the Insurance Department. It is a good bill and I urge it's passage.

THE CHAIR:

If there are no further remarks, as many as are in favor of passage of this bill signify by saying, "aye". Contrary minded. The bill is passed.
Cal. No. 1114 File No. 1241 Modified Senate Bill No. 1183. An Act concerning the Removal of Names from Registry Lists and Enrolment Lists. Favorable report of the Joint Committee on Elections.

SENATOR CALDWELL:

I move acceptance of the Committee's favorable report and passage of the bill. This affects the law that already is, it requires when a name is removed from the list, it should also be removed from the party enrolment lists by the registrar at the same time. The bill speaks for itself and I urge it's passage.

THE CHAIR:

Question is on passage of this bill, any further remarks, if not, as many as are in favor of passage of this bill, signify by saying, "aye". Contrary minded. The ayes have and the bill is passed.

On a motion by Senator Hickey, the senate stood at ease.

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HOUSE

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MR. SPEAKER:

Question is on acceptance and passage of the bill in concurrence with the Senate. Will you remark?

MR. WILLIAM V. BEGG, 86TH DISTRICT:

Mr. Speaker, this bill would provide for the removal of names from the enrollment lists at the same time that they are removed from the registry list. Presently, the rule that is followed results in the retention on the enrollment list of names which have been removed from the registry list for a period of a year or more. In the past, the situation has resulted in extra work on the part of the Registrars of Voters and much unnecessary confusion. This bill would eliminate much of the complexity and confusion by providing for the removal of names from the enrollment list at the time they are removed from the registry list. The Elections Committee considered this a good bill and I urge its passage.

MR. SPEAKER:

Will you remark further on the bill? If not, the question is on acceptance and passage of the bill in concurrence with the Senate. All those in favor will say aye. All those opposed? The bill is passed.

THE CLERK:

Calendar 1320 Senate Bill No. 526. AN ACT CONCERNING MOTOR VEHICLE

PHYSICAL DAMAGE APPRAISERS.

MR. PAUL A. LAROSA:

Mr. Speaker, I move the acceptance of the Joint Committee's favorable report and passage of the bill in concurrence with the Senate.

MR. SPEAKER?

Question is on acceptance and passage of the bill in concurrence with the Senate. Will you remark?

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MR. PAUL A. LAROSA, 4TH DISTRICT:

Mr. Speaker, this is an act concerning the motor vehicle physical damage appraisers. This bill has been requested by the Insurance Department and what it does is it regulates the motor vehicle physical damage appraisers and it makes it better for the public and for the adjustment of claims. I move its passage.

MR. SPEAKER:

Will you remark further? If not, the question is on acceptance and passage of the bill in concurrence with the Senate. All those in favor will say aye. All those opposed? The bill is passed.

THE CLERK:

Calendar 1321 Substitute for Senate Bill No. 746. AN ACT CONCERNING A REGIONAL COMMUNITY COLLEGE IN WATERBURY.

MR. HUGH M. MCCABE, 91ST DISTRICT:

Mr. Speaker, the Clerk has an Amendment.

THE CLERK:

House Amendment A offered by Mr. McCabe of the 91st District: on line 2, strike out the words "and administer".

MR. HUGH M. MCCABE, 91ST DISTRICT:

Mr. Speaker, I move the adoption of the Amendment. The Amendment, Mr. Speaker, is technical in nature.

MR. SPEAKER:

Question is on adoption of House Amendment, Schedule A. Will you remark?

MR. HUGH M. MCCABE, 91ST DISTRICT:

Mr. Speaker, Public Act 330 establishes the responsibility of the Board of Trustees to administer the colleges which are established. This law has the statutory authorization to establish said community college.

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coverages through the mail. How does the brochure explain the double limits coverage as opposed to the single limit uninsured motorist when we get to the vehicle?

Mr. Wholley: That is their attitude. They compound the problem.

Chr. Piccolo: The hearing on S.B. ⁵²⁴~~254~~ is hereby concluded.

S. B. No. 526 (Senator Amenta of the 6th District) AN ACT CONCERNING MOTOR VEHICLE PHYSICAL DAMAGE APPRAISERS.

Mr. Wholley: Senator in the interest of brevity, I have a very short statement. I have distributed this to the members of the committee:

"The Department can lend support to the passage of this requested legislation. We have had a continuing problem with insurance companies over the value of damage in a given accident which quite frequently revolves around the competency of the person assessing the damage on behalf of the insurance company.

Quite frequently companies will employ the services of independent appraisal companies to perform this function for them, and it is not uncommon to view two or three reports on a given accident finding the figures varying to a considerable degree.

It is felt that with this type of legislation, standards can be established to determine the competency of applicants for such a license, which would definitely operate in the best interests of the public."

Chr. Piccolo: Any questions?

Rep. Salamone: Mr. Wholley, This is just for the independent adjusters, in other words, the companies who have their own employed adjusters?

Mr. Wholley: Yes, this is not This is not an adjuster function as such, the appraisal of the damages, that is right.

Rep. Sakamone: Then, as I understand it, every employee of an independent firm should be a licensed appraiser.

Mr. Wholley: Yes, that is what their function is. They are holding themselves out to the public as an appraisal service for a fee and then they would come within the scope ..

Rep. Salamone: So that under the present situation appraisal companies who have a license under the main name but perhaps have employees who have not passed the licensing examination?

Mr. Wholley: No, under the present circumstances there is no license required at all to be an appraiser.

Rep. Salamone: It is just the individual companies who require their employees to take it.

Rep. Bigos (45th District): Do you know of any other states where they have such legislation and, if you do, do you find that it is working satisfactorily?

Mr. Wholley: I do not know.

Sen. Piccolo: Is there anyone who wants to be heard on this bill? Step forward please.

Mr. Meek: My name is Richard Meek. I am counsel for the Connecticut Automotive Trade Association. Our members are all dealers and independent proprietors of auto body shops. We favor the adoption of this particular measure. The people in the appraisal field who are coming into our shops are not qualified. This is probably caused by the shortage of help, the increasing volume of claims and the facts of the matter are that incompetent people come out to appraise damage. They are not going to serve the public because they are not going to know what is required to fix the car properly. Now when an appraiser comes in and he says what he is going to allow in the matter of repairing the car, if the shop owner does not wish to argue with him, or he feels that he can not interest the customer in having the car repaired properly, there is simply no appeal to these decisions and the danger is that the shop will simply repair for whatever dollars were allowed and he may tell the owner of the car that he did not think that this was the proper repair job but the owner, in many cases, will not take it up with the insurance company. They don't wish to offend them because of the fear that they might possibly lose coverage. All of our people are licensed by the State and if there are abuses by any of our members in the repair field there is appeal to the state agency. They have a history in this State of licensing businesses which have a direct bearing on public safety. And we submit that the repair of an automobile and the appraisal of the damage thereto is of direct interest to the public and we think these people should all be licensed. This would include staff adjusters from insurance companies as well as independent

appraisers. I didn't quite get Mr. Wholley's statement whether he meant that or not but we feel direct staff appraisers, these are one of the sources where we do not have competent men; they are faced with a volume of claims and are trying to get the work out. We understand the problem but we think the public is being shortchanged where these people are sent out; because if a man doesn't know what is needed to fix the car he is going to have a difficult time writing a proper appraisal. We hope that the Insurance Department, if granted this power, will establish reasonable standards of experience and competence before these men are sent out to appraise public damage. It is in the direct interest of our customers we feel and for quite a long time the relations of the private shop and the appraisers has been good and experienced appraisers know justd what it takes to repair an auto just as well as the shop owner does, and there is very seldom a real difference of opinion as to what needs to be done, but when you are talking to a man who really doesn't know his job it is very difficult to argue with him or to discuss with him what is going to be done to the car. We, therefore, urge that you favorably consider this measure. Thank you.

Sen. Piccolo: Thank you. Is there anyone else who wishes to be heard on this bill?

Mr. Cohn: My name is Norman Cohn. I represent the Bodyshop Division of the Connecticut Automotive Trades Association. I am also the operator of Connecticut Auto Body Works Repair Shop here in Hartford and we feel that this bill is extremely important for the protection of the motoring public. Body shops work in a unique manner - I will explain. The sequence of events that takes place is that a motorist has an accident; a car is damaged and is either driven or towed into a body shop and if the owner has insurance at this point he becomes a secondary party at choice. The insurance company that is going to pay for the damage bases their payment on an appraisal from a fourth party, an independent appraiser or onw of their own staff appraisers. In the past, this presented no problem because the men who came in to appraise the damages were competent and knowledgeable but recently with the increased number of motor vehicles, the increase in accidents, because of the number of vehicles and extremely tough labor situation the backlog of cars appraised or cars waiting appraisal has caused some of the companies to resort to hiring incompetent people to adjust these claims. Please be frank. Now, I will give you an example. Last week an appraiser walked into my place to write a figure

on a car. After about two minutes I knew that he did not know what he was doing. I did not want to embarrass him so I just said: "Did you used to work at Fisher's Auto Body?" and he said: "No, I never worked in a body shop". So I asked him how he got into this business and he said that for 14 years he worked at Pratt & Whitney and my brother-in-law's company was looking for a man and the pay is pretty good so I got the job. I asked him how he went around estimating the damages on cars when you have had no experience and he said that he spent two weeks with the supervisor and he told me how to do it. I have been an independent for eighteen years and I still make mistakes occasionally. Here is a fellow who has been in the business for two weeks with the supervisor and he is going to come in and tell me how I should work to fix the car. The results of this can be exemplified by an incident in my place. I have a younger brother who got into the business about three years ago and we are training him to estimate and appraise damages. We had a car that was damaged bery heavily in the front and an appraiser came over to write a figure on it and I told my brother to go ahead and write the figure with the appraiser. They put the car up on the frame machine and determined that the car had no chassis damage and came to an agreed price. Then I stepped in and said I would check it and there was a two inch sway in the chassis. If we had fixed this car without my checking the chassis in the proper manner, the owner would get his car back on the road, be driving his car and it would be unsafe. The only way you can do a safe repair is if you realize what the safe repairs are. The appraisers who come out and know what they are doing present no problem, but the ones who spend two weeks in a car shop and then know the business we cannot get a good ticket with them and the motoring Oublic are the ones who suffer in the end.

Sen. Piccolo: Thank you. Anyone else who wishes to be heard on this bill?

Rep. Vicino: First of all, I want to make the issue clear that I am in favor of this bill. I would like to know, if possible, the terminology the Commissioner may prescribe for reasonable regulations concerning the standards for qualifications. Have you at this time decided what these might be?

Mr. Wholley: We are thinking in the area of what an examination would consist of. It is the physical step that a man would take to meet the requirements for a license. We have been discussing with the Connecticut Automotive Trade Association about creating certain standards that this legislation pass that they would recommend we seek other sources for advice on it, and we are

not setting ourselves up as professional appraisers either. We would have to rely very heavily upon those in the business for their advice.

Rep. Vicino: Could you think of any reasons where you would suspend or revoke a license at this time? What would some of the reasons be where you might suspend a license?

Mr. Wholley: I really don't know unless it would involve fraud or absolute misuse of authority, etc.

Rep. Vicino: Thank you very much, sir.

Rep. Stavnitsky (19th Dist rict): Do you presently examine prior to the licensing of a physical damages appraiser?

Mr. Wholley: There is no licensing of physical damages appraisers.

Rep. Stavnitsky: Is there then licensing of physical damage adjusters?

Mr. Wholley: Yes. There is a distinguishment between an adjuster and an appraiser of the damages.

Rep. Stavnitsky: Is there any particular problem that is current in regard to the physical damage adjuster?

Mr. Wholley: No, not that I know of.

Rep. Stavnitsky: This is strictly then the physical damage appraiser that the problem involves.

Mr. Wholley: Yes.

Rep. Stavnitsky: Thank you.

Sen. Piccolo: Anyone else who wishes to be heard? That will conclude the hearing on bill number 526. I would like to say to those gentlemen who are present for the next two bills that you certainly have been very patient. I think what we will do to make sure that everyone has ample time I would like to go to say 1:15 but if it looks at that time that we need more time I am certainly willing to give anyone who wants it to make the time available. Perhaps we will have a short recess but let's commence. I assume both of these bills are of the nature that they are, although involving two different companies, similar in nature - one concerning CMS and one concerning, I would assume, Blue Cross. So, therefore, we will open the hearing on the combined bills with Bill No. 332 and Bill No. 334.

I would state for the record that Senator Buckley is