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Motor Vehicle Auctions

Sec. 14-65-1. Definitions

As used in sections 14-65-1 to 14-65-3, inclusive, the following words shall have the following meanings:

(1) ''Auction dealer'' means a motor vehicle dealer licensed under the provisions of section 14-52 of the general statutes who has been issued an auction permit to conduct a motor vehicle auction on his premises.

(2) ''Auction permit'' means a permit issued to an auction dealer to hold a motor vehicle auction at a specified location on a date requested by the dealer.

(3) ''Commissioner'' means the commissioner of motor vehicles or his designee.

(4) ''Dealer to dealer auction'' means an auction at which the admission thereto and the purchase of vehicles is limited to persons, corporations, firms or other business entities licensed pursuant to sections 14-15, 14-52 or 14-67 of the general statutes, or pursuant to a similar law in another state or jurisdiction, and registered with the auction dealer. The registrant shall inform the auction dealer, prior to registration, of the type of license or licenses held, the license number and the state or jurisdiction which issued such license.

(5) ''Dealer to public auction'' means an auction where the general public is registered, admitted to the auction premises and allowed to bid on motor vehicles.

(6) ''Department'' means the Department of Motor Vehicles.

(7) ''Title brand'' means a conspicuous label or designation imprinted on the face of a motor vehicle title, indicating that the motor vehicle has incurred substantial damage, or has been returned for replacement or refund for failure to conform to a manufacturer's express warranty. The term shall include, without limitation, ''salvage'', ''rebuilt'', ''nonrepairable'', ''salvage parts only'', ''manufacturer buy-back'', ''flood'' and other comparable labels.

(Effective February 17, 1970; amended May 27, 1997)

Sec. 14-65-2. Dealer to dealer auction, and auctions to which the public is admitted

The following provisions shall apply to both dealer to dealer auctions and to dealer to public auctions:

(a) Each auction dealer shall provide at the auction location sufficient parking area to accommodate all motor vehicles to be sold and convenient parking for the motor vehicles of persons in attendance at the auction.

(b) The auction dealer's permit issued by the commissioner shall be conspicuously displayed at the dealer's auction location.

(c) Auctions shall be advertised and conducted in the name under which the dealer's license and auction permits are issued.

(d) Auction dealers shall obtain an auction permit from the commissioner prior to each auction. Where auctions are held on a regular schedule, the commissioner may issue permits for periods of up to six (6) months in advance. The commissioner may assign an inspector or inspectors or other employee or employees to each auction. If the commissioner chooses to assign an inspector or inspectors or other employee or employees to attend an auction, the auction dealer shall reimburse the commissioner for each inspector's services in an amount, which represents the total salary, including the cost of benefits, for the hours in attendance of each inspector or employee assigned to attend said auction.

(e) Vehicles with title brands, or vehicles sold true mileage unknown (TMU), shall be announced as such by the auction dealer. Such vehicles shall pass inspection as required by section 14-103a of the general statutes prior to registration.

(f) No auction dealer may sell any motor vehicle having a certificate of title branded "salvage parts only", or equivalent, except to a person, corporation, firm or other business licensed by the department under the provisions of Part III (h) of Chapter 246 of the general statutes, or a licensee under a similar statute in another state or jurisdiction. A totaled or salvaged motor vehicle with a certificate of title stamped "salvage parts only" shall be sold at auction separately from other motor vehicles.

(g) Each auction dealer is responsible for completing and providing to the purchaser of a motor vehicle at an auction the documentation required by law. Such documents shall include the name and complete address, including street, town, state and zip code, of the last owner to whom the vehicle was registered, the state in which it was registered and the mileage displayed on the odometer of such motor vehicle. The dealer shall retain a copy of the documents so prepared for a period of at least three (3) years. The documents shall include a properly endorsed certificate of title where so required by law.

(h) All vehicles offered for sale shall have a verifiable vehicle identification number (VIN), conforming with commercial standards, or a state issued VIN in the case of abandoned or composite vehicles, or other vehicles which do not have a factory VIN number. Any vehicle bearing a VIN number which has been altered shall not be sold, except where such vehicle has been inspected by, and its sale approved by an inspector of the department.

(Effective July 25, 1994; amended May 27, 1997, November 2, 2009)

Sec. 14-65-3. Additional requirements for motor vehicle auctions open to the public

The following provisions shall apply only to dealer to public auctions:

(a) The auction dealer conducting such dealer to public auction shall warrant at the time of sale that the auction dealer is the owner of any vehicle offered for sale at such auction, that such vehicle is sold free and clear of all encumbrances, and that the dealer shall furnish each purchaser with all documents necessary to register the vehicle.

(b) Each motor vehicle to be offered for sale at auction shall be made available for examination and demonstration at the place of business of such auction dealer during the full business day preceding the day of the auction. Such business day shall not be less than eight (8) consecutive hours. During this period the auction dealer shall make available to any prospective purchaser an accurate written statement as to the condition of such motor vehicle and the terms of any guarantee or warrantee, or that the vehicle is not subject to any guarantee or warrantee. Such statement shall contain but need not be limited to the vehicle model year, make, last owner (not including the seller), mileage, state where the vehicle was last registered, general condition, duration of warranty, whether or not the vehicle is fit for operation on the highway, and any other terms and conditions relating to such sale as required by the commissioner. Any vehicle with a branded certificate of title shall be presented for, and shall pass, inspection as provided in section 14-103a of the general statutes prior to its sale.

(c) At the time of offering a motor vehicle for sale at auction, and immediately before accepting bids thereon, the auctioneer shall read the statement of condition as provided under subsection (b) of this section. Such reading shall be performed

with sufficient clarity and volume, or amplified in a manner so as to be heard by those in attendance at such auction.

(d) Immediately following completion of the bidding on a vehicle, the auction dealer shall provide the successful bidder with an opportunity to examine such vehicle to determine whether or not the vehicle conforms to the written statement of condition required under subsection (b) of this section. If upon inspection the vehicle is found not to conform to said statement, the bidder may withdraw the bid. If the vehicle is accepted by such purchaser, the provisions of section 14-62 of the Connecticut general statutes relating to dealer sales shall prevail.

(Effective February 17, 1970; amended May 27, 1997)

Sec. 14-65-4. Auction dealers. Exclusion

(a) Any person, firm or corporation conducting an auction who is not licensed as a motor vehicle dealer as provided in section 14-52 of the general statutes, or is not selling vehicles owned by a licensed motor vehicle dealer, shall be considered an auction dealer subject to the provisions of sections 14-65-1 to 14-65-3, inclusive, if he sells five (5) or more motor vehicles at any one auction, or more than twenty-five (25) motor vehicles during a calendar year.

(b) Notwithstanding the provisions of subsection (a) of this section, sale at auction of motor vehicles which are part of an estate, business or the like, and are sold in the normal course of business, shall not be considered a sale by an auction dealer.

(Effective May 27, 1997)

Sec. 14-65-5. Auction sales of antique motor vehicles

(a) Notwithstanding any provision of sections 14-65-1 to 14-65-4, inclusive, of the Regulations of Connecticut State Agencies, an auction sale to the public, of motor vehicles that are twenty-five model years old or older may be conducted, under an auction permit issued by the commissioner, at a location other than the licensed location of the auction dealer. The commissioner may request that the application for such permit be accompanied by satisfactory evidence that the auction dealer has secured all required licenses, permits, and approvals to allow the use of the proposed location to conduct such auction sale, including the making of all arrangements reasonably required for the protection of the public health and safety.

(b) The commissioner may request that any auction permit issued by the department for such an auction sale contain, in addition to the name of the auction dealer, the name or names of an auction company or agent and/or a sponsoring organization. The auction dealer shall remain responsible for compliance with all the applicable provisions of sections 14-65-1 to 14-65-4, inclusive, of the Regulations of Connecticut State Agencies. If any motor vehicle offered for sale at such auction sale is not eligible for registration by the commissioner for highway use, such fact shall be publicly noticed or announced before the auction sale of such vehicle begins.

(Adopted effective October 6, 2005)