



March 8, 2021

**RE: SB - 982 AN ACT REVISING MOTOR VEHICLE STATUTES..**

Dear Members of the Transportation Committee:

I am Joy Avallone, General Counsel of the Insurance Association of Connecticut ("IAC"), a state-based trade association for Connecticut's insurance industry. Thank you for the opportunity to provide comments in strong support of SB 982 - AN ACT REVISING MOTOR VEHICLE STATUTES.

The IAC strongly supports language included subsection (h) and subsection (c) of Section 16.

Subsection (h), which begins on line 638 of page 20, will eliminate the notarization requirement for a power of attorney used to support an application for transfer of a certificate of title in claims involving salvage vehicles and also for applications for a duplicate certificate of title in instances where the insured has lost the original certificate of title. This will help to facilitate and expedite the claims process in these specific cases, which will benefit both insureds and insurers.

By way of background, often times when an insured's vehicle is deemed a total loss, the insurer will pay the insured the value of the vehicle and in exchange, the insured will transfer title of the vehicle to the insurer. While often times the process runs smoothly, there are occasions when this process becomes complicated (an insured may have lost the title, or an insured may have intended, but failed to properly assign title to the insurer).

In those instances where title is unavailable or has not been properly transferred, insurers will accept powers of attorney from insureds so that the insurer may complete the necessary paperwork and make the appropriate corrections to facilitate the transfer on behalf of the insured. This often expedites claims processing and allows for payment to be made more quickly to the insured.

Unfortunately, the requirement that the power of attorney be witnessed and notarized may pose a challenge for insureds and as such, slow down the processing of claims and total loss payouts. This may also cause additional and unnecessary expenses to be incurred in relation to

the storing of the vehicle. Policyholders are affected because these costs are reflected in premiums. Eliminating the requirement of notarization and witnessing will help ensure a more streamlined process and more affordable coverage for insureds.

The IAC also supports language in subsection (c), which begins on line 569 of page 18. This will allow insurers to obtain a salvage title to a vehicle in instances where an insured has failed to provide title to the vehicle. This is a practice permitted in a number of other states.

While supportive of this process, we respectfully request that methods other than certified mail, be accepted. Certified mail can be problematic because return receipts may not be received or receipt may be delayed. As such, the IAC recommends allowing the use of any system that creates a record that confirms transmittal.

For the aforementioned reasons, the IAC strongly supports subsections (h) and (c) of SB 982 and recommends the inclusion of additional language in Section 16.

Thank you.

Joy Avallone  
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Insurance Association of Connecticut