



House of Representatives

General Assembly

File No. 161

January Session, 2023

Substitute House Bill No. 6613

House of Representatives, March 22, 2023

The Committee on General Law reported through REP. D'AGOSTINO of the 91st Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING ELECTRONIC ADVERTISEMENTS BY SKILLED TRADESPERSONS AND HOME IMPROVEMENT CONTRACTORS.

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

1 Section 1. Subsection (b) of section 20-334 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*
3 *2023*):

4 (b) The Department of Consumer Protection shall [furnish] issue to
5 [each] a qualified applicant a license under this chapter certifying that
6 the holder [thereof] of such license is entitled to engage in the work or
7 occupation for which [the person has been issued a] the department has
8 issued such license, [under this chapter,] and the holder of such license
9 shall carry [it] such license on [his] such holder's person while engaging
10 in such work or occupation. Such license shall be shown to any properly
11 interested person on request. No such license [shall] may be transferred
12 to or used by any person other than the [person] holder to whom [the]
13 such license was issued. [Contractors that fail to] Except for a first

14 violation, the department may fine a contractor, in an amount not to
 15 exceed five hundred dollars per violation, if the contractor fails to (1)
 16 display [their] such contractor's state license number (A) on [all] any
 17 commercial [vehicles] vehicle used in [their] such contractor's business,
 18 [and] or (B) in a conspicuous manner on [all advertisements, bid
 19 proposals, contracts, invoices and on all stationery] any printed
 20 advertisement or listing, bid proposal, contract, invoice or stationary
 21 used in [their] such contractor's business, [may be fined not more than
 22 five hundred dollars per violation, but shall not be fined for the first
 23 violation] or (2) include in any electronic, television or radio
 24 advertisement or listing the address of an Internet web site, which is
 25 publicly accessible and maintained by such contractor, where any
 26 person may view such contractor's state license number. The
 27 department shall keep a register in which shall be entered the names of
 28 all persons [to whom such] who hold such licenses. [are issued. The]
 29 Such register shall be at all times open to public inspection.

30 Sec. 2. Subsection (a) of section 20-427 of the general statutes is
 31 repealed and the following is substituted in lieu thereof (*Effective July 1,*
 32 *2023*):

33 (a) Each person engaged in making home improvements shall (1)
 34 exhibit [his] such person's certificate of registration upon request by any
 35 interested party, (2) state in any advertisement the fact that [he] such
 36 person is registered, [and] (3) include [his] such person's registration
 37 number in any printed advertisement, and (4) include in any electronic,
 38 television or radio advertisement the address of an Internet web site,
 39 which is publicly accessible and maintained by such person, where any
 40 other person may view such person's registration number.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2023	20-334(b)
Sec. 2	July 1, 2023	20-427(a)

Statement of Legislative Commissioners:

In Section 1(b)(1), the designator "(A)" was moved to after "number" for clarity and consistency.

GL *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Consumer Protection, Dept.	GF - Cost	71,851	71,582
State Comptroller - Fringe Benefits ¹	GF - Cost	29,653	30,395

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires contractors and tradespersons to include their state license number in electronic, television, radio, and website advertising resulting in a total cost of \$101,504 in FY 24 and \$101,977 in FY 25 to the Department of Consumer Protection (DCP) and the State Comptroller.

To meet the requirements of the bill DCP will have to hire one special investigator for a salary and other expenses cost of \$71,851 in FY 24 and \$71,582 in FY 25, along with fringe benefits cost of \$29,653 in FY 24 and \$30,395 in FY 25. The bill expands DCP's regulatory oversight of over 60,000 occupational and home improvement licenses throughout the state resulting in the need for an additional position to be able to monitor compliance and investigate complaints and violations.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 42.82% of payroll in FY 24.

OLR Bill Analysis

sHB 6613

AN ACT CONCERNING ELECTRONIC ADVERTISEMENTS BY SKILLED TRADESPERSONS AND HOME IMPROVEMENT CONTRACTORS.

SUMMARY

This bill modifies the current law's requirement that contractors in the trades provide their license number on their commercial vehicle and in advertisements and other communications. Under the bill, the requirement to include the state license number applies only to their commercial vehicles and printed advertisements or listings, bid proposals, contracts, invoices, and stationary. The bill also requires these contractors to include in electronic, television, or radio advertisements or listings a website where anyone may view their state license number. The website must be publicly accessible and maintained by the tradesperson. Like current law, contractors are subject to a fine of up to \$500 if they fail more than once to include their state license number or website as required.

The bill similarly modifies a requirement applicable to registered home improvement contractors. Under current law, they must include their state registration number in advertisements. The bill limits this requirement to printed advertisements. It correspondingly requires them to include in electronic, television, or radio advertisements a website where anyone may view their registration number. As with contractors in the trades, the website must be publicly accessible and maintained by the home improvement contractor. As under current law, a violation is an unfair or deceptive trade practice (see BACKGROUND).

EFFECTIVE DATE: July 1, 2023

BACKGROUND

Connecticut Unfair Trade Practices Act (CUTPA)

The law prohibits businesses from engaging in unfair and deceptive acts or practices. CUTPA allows the consumer protection commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney’s fees; and impose civil penalties of up to \$5,000 for willful violations and \$25,000 for violation of a restraining order.

COMMITTEE ACTION

General Law Committee

Joint Favorable
Yea 18 Nay 4 (03/07/2023)