

General Law Committee

JOINT FAVORABLE REPORT

Bill No.: SB-3

Title: AN ACT CONCERNING CONSUMER PROTECTION AND SAFETY.

Vote Date: 3/21/2025

Vote Action: Joint Favorable Substitute

PH Date: 3/12/2025

File No.:

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SPONSORS OF BILL:

General Law Committee

SEN. LOONEY, 11th Dist.

SEN. DUFF, 25th Dist.

SEN. ANWAR, 3rd Dist.

SEN. CABRERA, 17th Dist.

SEN. COHEN, 12th Dist.

SEN. FLEXER, 29th Dist.

SEN. GADKAR-WILCOX, 22nd Dist.

SEN. GASTON, 23rd Dist.

SEN. HARTLEY, 15th Dist.

SEN. HOCHADEL, 13th Dist.

SEN. HONIG, 8th Dist.

SEN. KUSHNER, 24th Dist.

SEN. LESSER, 9th Dist.

SEN. LOPES, 6th Dist.

SEN. MAHER, 26th Dist.

SEN. MARONEY, 14th Dist.

SEN. MARX, 20th Dist.

SEN. MCCRORY, 2nd Dist.

SEN. MILLER P., 27th Dist.

SEN. NEEDLEMAN, 33rd Dist.

SEN. OSTEN, 19th Dist.

SEN. RAHMAN, 4th Dist.

SEN. SLAP, 5th Dist.

SEN. WINFIELD, 10th Dist.

REP. REYES, 75th Dist.

REASONS FOR BILL:

This bill intends to enhance various consumer protection measures for residents of our state.

- In order to provide increased transparency and increase consumer confidence, **Section 1** strengthens “all-in” pricing requirements for goods and services sold in Connecticut.
- **Section 2** protects the safety of individuals who purchase toys and connected devices by requiring companies to disclose if their product can transmit audio or video data back to the manufacturer.
- **Section 3** protects consumers from potential monopolies surrounding the repair of various devices by establishing a general “right-to-repair” for assorted appliances and electronics. This section does provide some exceptions for products that prove dangerous if an inexperienced consumer tried to repair them independently. It also

relieves device manufacturers of liability if the consumer's repair efforts lead to damage or data loss.

- **Section 4's** requirement for municipalities to transition their websites to ".gov" intends to increase residents' confidence that they are interacting with authentic government service providers. It also aims to increase municipalities' eligibility for various grants that require the city or town to have a ".gov" website.
- **Sections 5 and 6** of the committee bill intend to protect residents from unfair or exploitative changes in pricing. In response to feedback from various stakeholders, the proposed substitute strikes Section 5 from the committee bill, eliminating provisions regarding the disclosure of "shrinkflation." The committee bill increases the Attorney General's authority to enforce the state's price gouging statutes, and the substitute language adds various checks and balances to that authority.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Bryan Cafferelli, Commissioner, Department of Consumer Protection](#) writes that DCP appreciates the intent behind SB 3 and appreciates section 1's action toward requiring disclosure about both hidden fees and junk fees to strengthen consumer protection. He notes that in the original bill, the language used in section 2 would prove difficult for DCP to enforce. He notes that this is because there are violations of law based on certain disclosures, which can be oral or temporarily displayed to consumers and thus not easily retained. Additionally, there are unclear standards for the maintaining of "reasonable security measures." This, according to the Commissioner, would increase complaints to DCP, and investigations would be burdensome "since obtaining evidence of a violation and determining whether an entity falls under the definition of a provider, will not be clear cut."

[Attorney General William Tong](#) notes his support for many sections of SB 3. He first expresses his support of section 1 to combat junk fees charged by companies onto the consumer. He then notes his support of section 3, which would make technology repairs more affordable and accessible by requiring the original manufacturers to provide the documentation and parts necessary to fix broken or deficient appliances. Additionally, the AG supports the effort to combat price gouging by adding a new trigger to the currently implemented price gouging statute, providing a definition to unconscionably excessive pricing to further strengthen the legal standard of price gouging, and granting the AG's office the ability to engage in investigations and enforce the new laws.

NATURE AND SOURCES OF SUPPORT:

[Sen. Martin Looney, 11th Dist., Senate President Pro Tempore, Connecticut General Assembly](#)

[Sen. Bob Duff, 25th Dist., Senate Majority Leader, Connecticut General Assembly](#)

Senator President Pro Tempore Martin Looney and Senate Majority Leader Bob Duff submitted joint testimony in support of SB 3. In their testimony, they provide descriptions and explanations for the necessity of each section outlined in the bill. For each section, they outline the importance of consumer safety, privacy, affordability, accessibility, security, and transparency. They note the importance of striking a balance between consumer protection and fostering technological innovation, and they believe SB 3 achieves this.

[Senate Democrats, Connecticut General Assembly](#) submitted joint testimony in support of SB 3. Like the Senate leadership, they outline each section of the bill, how it relates to consumer protection, and why it will help foster safety, affordability, and transparency for consumers.

[The Connecticut Hospital Association](#) stated their support of SB 3 with the adoption of clarifying language, specifically in section 1. The CHA noted their general support of consumer transparency requirements outlined in the section. CHA notes, however, that this intent may not be accurately captured in the bill, as written, regarding exemptions. They recommend adding a new paragraph (H) to be added to subsection (b), which is written in their testimony. They believe that this language helps clarify expectations for businesses and consumers, as well as sets parameters on the type and level of information that is to be provided to consumers related to their healthcare.

NATURE AND SOURCES OF OPPOSITION:

[Roxolana Kozyckyj, Senior Director of State Affairs, AdvaMed](#) submitted written testimony on behalf of AdvaMed in opposition to section 3 of SB 3. AdvaMed states that the current law as written would encapsulate important medical electronic products such as portable ultrasounds, patient monitors, implantable pacemakers, or portable X-ray devices, and that these devices should not be repaired by unauthorized third-party providers. They include a statistic found in a 2018 FDA report that found more than 4,300 adverse effects from devices repaired by third-party providers that accounted for 294 serious injuries and 40 deaths. AdvaMed asks that the committee consider this area of technology for an exemption like those provided in New York, Minnesota, and Oregon.

[Paul Pescatello, Senior Counsel and Executive Director, Bioscience Growth Council](#) submitted testimony opposing section 3's provisions, stating that it does not provide a clear exemption for medical devices. He notes that the current original equipment manufacturers (OEMs) are subject to strict regulation by the FDA. He believes that the current language, including "connected device," "connected device manufacturer," and "electronic set" would encapsulate medical device technology, and section 3 could permit third-party services to repair/work on them without proper training or resources, putting patients at risk. He asks for a clear exemption in section 3 for medical devices.

[Katie Reilly, VP of Environmental Affairs and Industry Sustainability, Consumer Technology Association](#) testified in opposition to SB 3 to make recommendations for language clarifications that closer align with language across state lines to ensure reasonable accommodation for industry. She outlines the language amendments in her written testimony.

[Michael Blank, CTIA](#) submitted opposition on behalf of the CTIA in opposition to section 1. He believes that there are currently adequate rules and regulations in place in the wireless carrier industry. He first notes the existence of CTIA's *Consumer Code for Wireless Service* that outlines a set of principles to ensure consumers are informed about selecting a wireless service. Additionally, he states that there is already extensive federal regulation on wireless industry from the FCC to prevent surprise and unfair billing. He asks the legislature to consider an exemption for the wireless industry under section 1.

[Tim Anop, Director of External Affairs, Yankee Institute](#) submitted testimony in opposition to multiple sections in SB 3 due to his belief that it will "increase regulatory burdens, disrupt

market dynamics, and impose financial hardships on Connecticut businesses and municipalities." Their opposition to section 1 is due to their belief that the language complexity may inadvertently put companies at risk of violations, and simultaneously burden municipalities with compliance enforcement burdens. He continues, noting his opposition to section 3 because of both compliance costs and the potential to undermine a company's intellectual property and innovation. His issues with section 5 revolve around the regulatory challenges of clear disclosure on food downsizing, making the claim that it would increase operational costs for producers and retailers. Finally, he states his belief that section 6's allowance for the AG to declare economic interruptions, such as creating price caps, could create market distortions, including shortages and encouraging black market activity. Issues regarding sections 5 and 6 were either completely or partially addressed in the substitute language.

[Chris Davis, Vice President of Public Policy, CBIA](#) opposes sections 1, 3, 5, and 6 of SB 3. He begins by stating his belief that section 1 is too broad, and that it is unrealistic for a business to disclose all fees. Next, he states section 3 places a costly regulatory framework on manufacturers, retailers, and service providers. For sections 5 and 6, he states his opposition to the bill granting an exclusive authority to the AG to determine appropriate prices or packaging sizes. He believes that the authority would lead businesses to be hesitant to "adjust to changes in labor rates and mandates, material costs, safety regulations, and transportation expenses."

[Christian Herb, President, CT Energy Marketers Association](#) submitted testimony in opposition to section 6 of SB 3. He believes that the language regarding prices being "unconscionably excessive" and "grossly disproportionate" is too vague for proper compliance. Additionally, he states his opposition to granting the AG power to declare an abnormal market disruption, and instead that power should remain with the Governor and the President of the United States. These issues were partially addressed in the substitute language.

[Tom Mongellow, President and CEO, Connecticut Bankers Association](#) opposes section 1 as written in SB 3. He believes that as written, section 1 would include loan and deposit products offered by financial institutions, and by doing so, conflict with existing regulations. He notes that bank product disclosures are already heavily regulated, and asks the committee to consider banks, out-of-state banks, bank holding companies, credit unions, federal credit unions, or out-of-state credit unions as an exemption to the section.

GENERAL COMMENTS:

[Zachary McKeown, Advocacy Manager, The Connecticut Conference of Municipalities](#) submitted testimony with general concerns about the time allotted to municipalities to switch to a ".gov" top level internet domain. They ask that, due to budgetary restrictions, the committee extends the deadline for this mandate to July 1, 2028, instead of July 1, 2027.

[Francis Pickering, Executive Director, Western Connecticut Council of Governments](#) submitted testimony with concerns with the requirement for local municipalities to adopt ".gov" top level domains. WestCOG believe that the federal government's Department of Government Efficiency has disrupted and weakened cybersecurity protocols, which would

weaken local municipalities' security and leave them prone to cyberattacks and manipulation of personal data. They ask that the committee reconsider or remove this section from the bill.

[Laura Chadwick, President and CEO, Travel Technology Association](#) submitted testimony with general concerns about price transparency in section 1. They believe that the recent FTC ruling covers pricing display issues, and that this law could prove confusing for consumer and business compliance. They ask that the text be amended to add a section that can be found in their written testimony.

[Matthew Dennehey, Branch Manager, Monroe Tractor](#) submitted testimony noting their neutrality on the legislation. He asks for a minor change to section (4)(B), asking that the word "exclusively" be changed to "primarily."

[Kyle Innes, Managing Director & Associate General Counsel, SIFMA](#) provided general comments regarding section 1 of SB 3. They outline their concern with language in the section as written can cause issues with how investments are traded and regulated. They state that due to market conditions, goods and services are often not fully priced until after a transaction is completed. Therefore, they ask the committee to exclude securities businesses from section 1, as they believe the regulations as written would make it impossible for the securities industry to comply given market structure and current financial regulations.

[Anna Lucey, Executive Vice President of Legislative and External Affairs, NECTA](#) provided comments and concerns with section 1 of SB 3 on behalf of NECTA. NECTA asks that their represented base be deemed in compliance with section 1. They believe that since they adhere to similar regulations created and enforced by the FCC, that they can be regarded as compliant, and wish to add an amendment that clarifies such. The proposed language can be found in the written testimony.

[Wayne Pesce, President, Connecticut Food Association](#) submitted testimony asking the committee to remove sections 5 and 6 from the bill. He believes (1) the power granted to the AG could penalize businesses for making market adjustments, (2) current price gouging laws are sufficient, and the language could penalize businesses for responding to inflationary pressure or supply chain constraints, (3) consumers have purchasing power and options when product size or price changes, and the process does not need to involve government regulation.

[Kimberly Nyitray, Senior Privacy Counsel, Flock Safety](#) provided written testimony in favor of adding a new section to SB 3. The section would establish " a waiver allowing state agencies, municipalities, and contractors to procure and operate small unmanned aircraft systems only from entities—both foreign and domestic—that meet the strongest security requirements." She believes the addition would solidify a framework and provide a security-first approach for drones used in the present and future.

[Eric George, President, IAC](#)

[Kristina Baldwin, Vice President, APCIA](#)

[Chris Nicolopolous, Senior Regional Vice President, NAMIC](#)

These three all submitted the same written testimony to provide general comments on SB 3 as they believe it would establish limitations on the fees that businesses charge, specifically

insurance companies. They believe that the Connecticut Unfair Insurance Practices Act addresses the areas that SB 3 regulates and requests the addition of language that "the provisions of SB 3 do not apply 'to any transaction that is subject to the provisions of chapter 704 of the general statutes."

[Brian McClure](#)

[Al Barnett](#)

These individuals provided general opposition to the bill for personal reasons.

Reported by: Michael Flynn

Date: April 3, 2025