



House of Representatives

General Assembly

File No. 119

February Session, 2006

House Bill No. 5558

House of Representatives, March 23, 2006

The Committee on General Law reported through REP. STONE, C. of the 9th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE POSTING OF GAS PRICES.

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

1 Section 1. Section 16a-15 of the 2006 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective from passage*):

4 (a) Each person shall publicly display and maintain on each pump
5 or other dispensing device from which any gasoline or other product
6 intended as a fuel for aircraft, motor boats or motor vehicles is sold by
7 such person, such signs as the Commissioner of Consumer Protection,
8 by regulation adopted pursuant to chapter 54, may require to inform
9 the public of the octane rating and price of such gasoline or other
10 product. Each person selling such gasoline or other product on both a
11 full-serve and self-serve basis and displaying the price of such gasoline
12 or other product at a location on the premises other than at a pump or
13 other dispensing device shall include in such display both the full-
14 serve and self-serve prices of such gasoline or other product, in such
15 manner as the commissioner, by regulation, may require. All signs as

16 to price shall be the per-gallon price and shall not be the price of less or
17 more than one gallon.

18 (b) Each person shall publicly display and maintain on each pump
19 or other dispensing device from which any gasoline or other product
20 containing more than one per cent by volume of ethanol, methanol or
21 any other cosolvent, and intended as a fuel for aircraft, motor boats or
22 motor vehicles is sold by such person, such signs as the Commissioner
23 of Consumer Protection, by regulation adopted pursuant to chapter 54,
24 may require to inform the public of the amount of methanol, ethanol or
25 any other cosolvent contained in such gasoline or other product.

26 [(c) (1) During the period commencing on May 27, 1998, and ending
27 on October 1, 1998, each person who sells at retail any gasoline or other
28 product intended for use in the propelling of motor vehicles using
29 combustion type engines shall prominently display at any location on
30 the premises at which such gasoline or other product is sold, and may
31 maintain on each pump or other dispensing device from which such
32 gasoline or other product is dispensed, a notice informing the public of
33 the requirements of subsection (c) of section 14-332a. The notice
34 required by this subsection shall be in such form as the Commissioner
35 of Consumer Protection may require by emergency regulation adopted
36 pursuant to chapter 54 and shall include: (A) The statement "The
37 General Assembly and the Governor have reduced the state motor
38 vehicle fuels tax by (insert amount) cents effective (insert date)"; and
39 (B) the number of the toll-free telephone line established in the
40 Department of Consumer Protection for the handling of consumer
41 inquiries and complaints that may be used to report any violation of
42 subsection (c) of section 14-332a.]

43 [(2)] (c) Each person shall publicly display and maintain, in a like
44 manner, size and print, on each sign on display to the general public
45 intended to inform the public of the price of gasoline and each pump
46 or other dispensing device from which any gasoline intended as a fuel
47 for motor vehicles is sold by such person, such signs as the
48 Commissioner of Consumer Protection, by regulation adopted

49 pursuant to chapter 54, may require to inform the public of the price
 50 for such gasoline for such members of the public as any such sign that
 51 informs of the price of such gasoline for members of any club,
 52 members of any retail membership organization or persons who
 53 qualify for any special discount offer.

54 (d) Any manufacturer, hauler, blender, agent, jobber, consignment
 55 agent, or distributor who distributes gasoline, or other products
 56 intended as fuel for aircraft, motor boats, or motor vehicles, which
 57 contain one per cent or more alcohol by volume, shall state the
 58 percentage of alcohol and the type of alcohol on any invoice, bill of
 59 lading, shipping paper, or other documentation used in normal and
 60 customary business practices.

61 (e) Any person who, by himself, his agent or employee, violates any
 62 provision of this section or such regulations shall be fined not less than
 63 fifty dollars nor more than two hundred fifty dollars.

64 (f) A violation of subsection (c) of this section shall constitute an
 65 unfair trade practice under subsection (a) of section 42-110b.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16a-15

GL *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$
Consumer Protection, Dept.; Attorney General	Various - Revenue Gain	Potential Minimal	Potential Minimal

Municipal Impact: None

Explanation

The bill makes it an unfair trade practice for gasoline retailers to fail to comply with the law requiring them to display and maintain gas prices. Under the Connecticut Unfair Trade Practices Act (CUTPA), the Department of Consumer Protection (DCP) and the Attorney General can impose CUTPA fines.

In the case of settlements, depending on the negotiation terms, funds are either deposited into the DCP’s Consumer Protection Settlement Account or the unrestricted resources of the General Fund. Funds deposited into the Consumer Protection Settlement Account are used only to enhance activities that further consumer protection. In FY 05, \$92,298 in CUTPA fines were deposited into the DCP Consumer Protection Settlement Account. Additionally, in FY 05, \$356,751 in CUTPA fines were deposited into the General Fund as a result of settlements negotiated by the Office of the Attorney General (OAG). The state agencies could accommodate the workload associated with enforcement of the bill without requiring additional resources. To the extent that the bill increases the potential for future violations, the bill could result in a minimal revenue gain to the state.

The Out Years

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

OLR Bill Analysis
HB 5558

AN ACT CONCERNING THE POSTING OF GAS PRICES.

SUMMARY:

This bill makes it an unfair trade practice for gasoline retailers to fail to comply with the law requiring them to display and maintain, in the same manner, size, and print the prices for (1) the public and (2) members of a club, retail membership organization, or people who qualify for a special discount, on each public gasoline price sign.

EFFECTIVE DATE: Upon passage

BACKGROUND

Requirements for Price Signs for the General Public

Department of Consumer Protection (DCP) regulations require that, among other things, gasoline price signs on the pumps state the price for full-serve, mini-serve, and self-serve; be clearly visible from both sides of the pump; and be 7 ¼" high and 9 ½" wide (Conn. Agencies Reg. §§ 16a-15-9 and 16a-15a-1).

Connecticut Unfair Trade Practices Act (CUTPA)

The law prohibits businesses from engaging in unfair and deceptive acts or practices. CUTPA allows the DCP 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 \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. The act also allows individuals to sue. Courts may (1) issue restraining orders; (2) award actual and punitive damages, costs, and reasonable attorneys fees; and (3) impose civil penalties up to \$5,000 for willful violations and \$25,000 for violation of

a restraining order.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 15 Nay 0 (03/09/2006)