



Senate

General Assembly

File No. 137

February Session, 2008

Senate Bill No. 524

Senate, March 25, 2008

The Committee on General Law reported through SEN. COLAPIETRO of the 31st Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING CONSUMER SAFETY AND PRODUCT RECALLS.

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

1 Section 1. (NEW) (*Effective October 1, 2008*) (a) The following acts
2 and the causing thereof are prohibited: (1) The manufacturing,
3 remanufacturing, retrofitting, distributing, selling at wholesale or
4 retail, contracting to sell or resell, lease, sublet or otherwise place in the
5 stream of commerce any product that has been subject to voluntary
6 corrective action taken by a manufacturer, wholesaler, distributor or
7 importer, or has been recalled by the manufacturer, wholesaler,
8 distributor or importer in cooperation with an agency of the federal
9 government and such recall has not been rescinded; or (2) the
10 manufacturing, remanufacturing, retrofitting, distributing, selling at
11 wholesale or retail, contracting to sell or resell, lease, sublet or
12 otherwise place in the stream of commerce any children's product that
13 is not in conformity with applicable consumer safety product
14 standards pursuant to chapter 420d of the general statutes or any

15 similar rule under another chapter of the general statutes or any
16 federal law or regulation.

17 (b) A violation of subsection (a) of this section shall be an unfair
18 trade practice pursuant to section 42-110b of the general statutes.

19 Sec. 2. (NEW) (*Effective from passage*) Not later than January 1, 2009,
20 the Commissioner of Consumer Protection shall adopt regulations, in
21 accordance with the provisions of chapter 54 of the general statutes,
22 concerning detailed reporting requirements for retailers and other
23 businesses and individuals prohibited from selling or otherwise
24 placing recalled products into the stream of commerce pursuant to
25 section 1 of this act. Such detailed reporting requirements shall require
26 such retailers, other businesses and individuals to specify the final
27 disposition of such recalled products.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	New section
Sec. 2	<i>from passage</i>	New section

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 chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Consumer Protection, Dept.	GF - Revenue Gain	Potential Minimal	Potential Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential minimal revenue gain due to Connecticut Unfair Trade Practices Act (CUTPA) violations of provisions in the bill.

The Out Years

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

OLR Bill Analysis**SB 524*****AN ACT CONCERNING CONSUMER SAFETY AND PRODUCT RECALLS.*****SUMMARY:**

This bill prohibits placing in the stream of commerce any product that:

1. has been (a) the subject of a voluntary corrective action by a manufacturer, wholesaler, distributor, or importer or (b) recalled by one of these businesses in cooperation with a federal agency if the recall has not been rescinded or
2. is a children's product that does not conform with applicable consumer product safety standards as required by the State Child Protection Act or a similar rule under other state or federal law.

The bill requires the consumer protection commissioner, by January 1, 2009, to adopt regulations setting detailed reporting requirements for retailers and other businesses and individuals prohibited from placing recalled products into the stream of commerce by the bill. They must require the retailers, businesses, and other individuals to report the final disposition of the recalled products.

The bill specifies that "placing in the stream of commerce" includes manufacturing, remanufacturing, retrofitting, distributing, selling at wholesale or retail, or contracting to sell, resell, lease, or sublet.

The bill makes a violation an unfair trade practice.

EFFECTIVE DATE: October 1, 2008, except the provision requiring regulations, which is effective upon passage.

BACKGROUND***State Child Protection Act***

Among other things, the act prohibits the “introduction or delivery for introduction into commerce of any misbranded hazardous substance or banned hazardous substance,” (CGS § 21a-337). The act defines a “banned hazardous substance,” in part, as a toy or other article intended for use by children that is, or contains, a hazardous substance in such manner as to be susceptible to access by a child to whom the toy or article is entrusted. It defines “hazardous substance,” in part, as any toxic substance or mixture of substances. A substance is “toxic” if it has the capacity to produce personal injury to or illness in people through ingestion, inhalation, or absorption through any body surface.

Connecticut Unfair Trade Practices Act

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 issue restraining orders; award actual and punitive damages, costs, and reasonable attorneys 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 19 Nay 0 (03/06/2008)