



Senate

General Assembly

File No. 270

February Session, 2008

Substitute Senate Bill No. 529

Senate, March 31, 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 substitute bill ought to pass.

AN ACT PROHIBITING GASOLINE COMPANIES FROM BANNING CASH DISCOUNTS.

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

1 Section 1. Subsection (c) of section 42-133ff of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2008*):

4 (c) Nothing in this section shall prohibit any seller from offering a
5 discount to a buyer to induce such buyer to pay by cash, debit card,
6 check or similar means rather than by credit card. No person, firm or
7 entity shall prohibit a gasoline retailer or distributor from offering a
8 discount to a buyer to pay cash for such gasoline. A violation of this
9 subsection shall be deemed an unfair or deceptive trade practice under
10 subsection (a) of section 42-110b.

This act shall take effect as follows and shall amend the following sections:

| | | |
|-----------|-----------------|-------------|
| Section 1 | October 1, 2008 | 42-133ff(c) |
|-----------|-----------------|-------------|

GL *Joint Favorable Subst.*

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 -Potential Revenue Gain | Minimal | Minimal |

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential minimal revenue gain to the General Fund as violations of provisions included within the bill are subject to the Connecticut Unfair Trade Practices Act (CUTPA).

The Out Years

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

OLR Bill Analysis**sSB 529*****AN ACT PROHIBITING GASOLINE COMPANIES FROM BANNING CASH DISCOUNTS.*****SUMMARY:**

This bill prohibits a person, firm, or other entity from prohibiting a gasoline retailer or distributor from offering discounts to buyers for paying in cash.

The law states that it does not prohibit sellers of anything, not just gasoline, from offering a discount to induce a buyer to pay by cash, check, or similar means. The bill specifies this also includes debit cards. The law also prohibits sellers from imposing a surcharge on a buyer who chooses to use any payment method, including cash, check, credit card, or electronic means.

The bill makes a violation of its provisions an unfair trade practice.

EFFECTIVE DATE: October 1, 2008

BACKGROUND***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 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 Substitute

Yea 18 Nay 0 (03/11/2008)