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**TESTIMONY OF
ATTORNEY GENERAL GEORGE JEPSEN
BEFORE THE GENERAL LAW COMMITTEE
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I appreciate the opportunity to support several important bills being heard by the committee today. The first bill I would like to support is SB 60, *An Act Prohibiting Price Gouging During Severe Weather Events*. I strongly support this proposal and urge the committee to report favorably upon it. As you all are aware, Connecticut residents have endured several severe weather events over the past year. High energy bills are bad enough for consumers. But unusually severe weather events, including a tropical storm and freakishly heavy snowfalls, both last winter and most recently last October, created a burden that was too much for some consumers -- and their homes and businesses -- to bear. There were massive and prolonged power outages, downed trees and power lines, collapsed roofs, flooded basements, spoiled food and much, much more. As broadcast and published reports showed, the prices consumers were charged for some of the essential goods and services associated with these events, such as clearing heavy snow from rooftops, staying in hotels, buying generators, and having trees removed varied widely.

Legitimate businesses have a right to make a profit for their work and we all know that when demand for services go up, so does the price. But unscrupulous businesses should not be permitted to exploit consumers by charging unconscionably high prices during public emergencies for goods and services that are essential to the public health, safety and welfare.

This bill will help protect consumers from such business practices. Basically, it says that during a severe weather event, no one in the distribution chain for consumer goods and services that are essential to the public health, safety and welfare shall sell such goods and services at an unconscionably excessive price. The question of whether a price is unconscionably excessive will be determined by the courts on a case by case basis by resorting to a number of factors set out in the proposed bill, including: a comparison of the prices charged for the same goods and services before a severe weather event and after its onset and an examination of whether the same goods and services are available at much lower prices from other sellers in the same area.

Under ordinary circumstances, consumers have a responsibility to use common sense: to compare prices for goods and services and whenever possible to get written estimates for work that needs to be done. As we have learned during the past year, however, it becomes far more difficult to exercise good judgment when the goods and services in question are in acute need and are vital to the public safety and welfare. This bill will give my office an important tool to deter unscrupulous businesses from charging unconscionably high prices during such times.

The second bill I would like to support today is HB 5056, *An Act Concerning the Electronic Prescription Drug Monitoring Program*. This bill makes important changes to the existing prescription drug monitoring program maintained by the Department of Consumer Protection. That program is designed to provide the State, prescribing physicians, and pharmacies with information regarding the prescription of controlled substances in order to prevent the improper or illegal use of such substances. Under existing law, however, only those pharmacies that are licensed to do business in Connecticut are required to report information about the prescription of certain controlled substances. This bill will expand the reporting requirements to both nonresident pharmacies, which currently are registered to do business in Connecticut but are not "licensed" by the State, and any other dispensers, including prescribing physicians. It also will allow the Commissioner to identify and include in the program additional harmful or addictive herbal or chemical substances.

Prescribing physicians and nonresident pharmacies comprise a significant share of the persons and entities capable of dispensing highly addictive and potentially dangerous prescription pills. These changes, therefore, are essential to ensure that physicians and pharmacies have at their disposal a much more accurate and complete picture of what substances are being prescribed to which individuals in Connecticut. As you all know, the problem of prescription drug abuse and addiction is reaching epidemic proportions in the United States, particularly among our society's most vulnerable members -- our youths and teens. I urge you to adopt these proposed changes and to help our physicians and pharmacies more readily identify prescription drug abuse.

The next bill I support is HB 5089, *An Act Prohibiting Telemarketers from Transmitting Inaccurate or Misleading Caller Identification Information*. This bill amends Connecticut's "Do Not Call" law by prohibiting telephone solicitors from intentionally transmitting inaccurate or misleading caller identification information. Under existing law, telephone solicitors are prohibited from intentionally using a blocking device to circumvent a consumer's caller identification service. While this provision is an important and effective way to ensure that consumers and law enforcement are able to identify or contact solicitors, some solicitors have circumvented the requirement by installing equipment that transmits inaccurate or misleading caller identification information. As a result, consumers are deceived into answering a call they otherwise would avoid or unable to identify a solicitor who may have violated the law. In addition, the Department of Consumer Protection and the attorneys in my Office are unable to assist consumers because there is no way to verify the identity of or otherwise contact such solicitors. Amending the law to prohibit such activity will help ameliorate this increasingly common practice. The only change I would recommend to the proposal is to eliminate the requirement that the intentional transmission be made with the intent to defraud, cause harm or obtain anything of value from a consumer. The existing prohibition against blocking caller ID information includes no such requirement. The new prohibition should similarly prohibit any solicitor from intentionally transmitting inaccurate or misleading information, regardless of the purpose for doing so. Indeed, it is difficult to imagine what other purpose there would be for intentionally transmitting inaccurate or misleading information.

The last bill I would like to testify in support of today is HB 5054, *An Act Making Minor and Technical Changes to Department of Consumer Protection Statutes*. In particular, I urge the committee to adopt the changes set forth in section 15 of that bill. My Office, in conjunction with the Department of Consumer Protection, plays a significant role in prosecuting violations of the Home Improvement Act. Among other things, the Office of the Attorney General has the statutory responsibility for bringing criminal prosecutions against contractors who violate the Act. As has been well-publicized, some of those prosecutions arise out of sting operations conducted by the Department of Consumer Protection in which investigators pose as homeowners. While such operations have successfully identified many unscrupulous contractors, the current statutory definition of "home improvement" has frustrated our efforts to prosecute them. Specifically, because that term currently requires an agreement between a contractor and a homeowner, contractors have argued, successfully in some cases, that they are immune from criminal prosecution in cases where an investigator posed as a homeowner and no actual agreement was reached. The proposed changes contained in section 15 of this bill will eliminate such a claim by making it clear that "home improvement" includes, not just agreements for work, but also proposals and offers for work made by contractors. The proposal also clarifies the existing meaning of the law by making it clearer that any such agreement, proposal or offer need not be based on a "cash" price, but shall include any and all agreed upon or proposed method of payment for home improvement work. These minor, but important, changes will go a long way toward ensuring that my Office can successfully prosecute unscrupulous contractors and protect innocent homeowners.

Thank you once again for all of your efforts. I look forward to working with the committee on these important matters.