

March 11, 2014

Co-Chair Paul R. Doyle

Co-Chair David A. Baram

Senator Kevin D. Witkos

Representative Dan Carter

General Law Committee:

I oppose SB 299. As someone who is working within the industry that this bill would impact I feel it would not accomplish what it is set out to do. The intention of what the bill is for on the surface falls apart when a closer look is taken. The real impact of this bill will increase costs for consumers. As a small family owned business, we cannot afford yet another tax and more fees to support this bill. The result will be more pass through costs to consumers. This annual fee may start as \$500 annually, but where will it end in the years ahead? This bill sounds similar to a fund that was created to protect the environment for underground storage tank leaks. Currently the state owes local family businesses more than \$100 million from this previous fund. These funds may start with one intention, but ultimately lead to just another tax on businesses here in CT. This bill will not stop the root of the problem when unethical business practices are being done by irresponsible business owners. It simply penalizes businesses who are following the rules.

Prevention of these dealers who are likely to default on contracts offered to consumers is where we must look. The state doesn't need to provide a "bailout" fund for businesses that aren't playing by the rules. Tighter mandates on when contracts may be offered to consumers and leveling the playing field to keep businesses honest would offer more resolution than a "bailout" fund. By mandating a seasonal ban on offering prepaid contracts for home heating oil, kerosene or liquefied petroleum gas from Nov 1 to March 31 would prevent companies from setting up consumers for expectations that are fabricated on nothing but speculation. Let's be accountable when offering these contracts being required to register the dealer's intent with the Commissioner of Consumer Protection by June 30th of each year. Requiring these dealers who are offering contracts to file an annual report with the DCP Commissioner by October 31 of each year outlining how they have complied with regulation would also be helpful.

In closing, the idea to create a fund for businesses who are knowingly offering contracts that are fabricated and unrealistic does not help the consumers or the businesses who are following the rules. The bill will enable unethical practices of securing contracts at unsustainable rates by consumers having an expectation that there is no risk with whomever they are doing business with because they have a state bailout fund that is ultimately being paid for by the businesses who are following the rules and not offering these unrealistic rates to being with. It is unfair, un-American and unethical. Let's not be reactive to bad business practices, but proactive on how business is to be done.

Robert Nason

Dutch Oil Co., Inc.