

March 11, 2014

Co-Chair Paul R. Doyle

Co-Chair David A. Baram

Senator Kevin D. Witkos

Representative Dan Carter

General Law Committee:

Unfortunately I am unable to attend the hearing this afternoon, but as you can expect, I am not in favor of any guaranty fund that is created on the backs of small businesses. It is tough enough for our customers to heat with oil at today's prices. Any additional dealer expenses would be passed on to these unfortunate, sometimes struggling, customers for the potential benefit of only a few, or possibly even none! The current fee structure of \$3900.00 is highly disproportionate to small companies like ours. We do, like many others, offer prepaid contracts, and have for many years. We comply with all pertinent regulations. The number of gallons however is very very small. It is not fair or reasonable for others (wether it be non-participating dealers or consumers) to pay any increased costs or additional fees that seek to minimize risk for others. There is no reason to write any new regulations that are specific to the heating oil business, as all consumers could benefit by a guaranty fund that would pay them back for any purchase regardless of its nature, similar to credit card protection. Singling out heating oil dealers for this additional excessive consumer protection is extremely shortsighted and completely unnecessary.

It is particularly disturbing to find that there is already an outlet for "excess funds", having them directed to the General Fund! This bill is not needed for the consumer, it is clearly a new revenue stream disguised to take advantage of an unusual and isolated incident with Ace Oil. Passage of SB 299 will put me at one more competitive disadvantage. As I see it, it is only directed at companies that have a Ct. H.O.D. number. All non-registered dealers, both in state and out-of state will continue to operate at a lower cost of doing business, at the expense of others. I am opposed to SB 299.

Dennis Hutton

Somers Oil Service