OLR Bill Analysis  
sSB 1007  

AN ACT CONCERNING MINOR AND TECHNICAL CHANGES TO DEPARTMENT OF CONSUMER PROTECTION STATUTES.  

SUMMARY  
This bill makes various minor and technical changes to the Department of Consumer Protection (DCP) statutes. Among other things, it:

1. allows appraisal management companies to do additional tasks and actions and prohibits certain people who used to have a license from owning a portion of the company,

2. eliminates the mandatory revocation of a real estate license for committing certain crimes and instead makes it discretionary,

3. specifies that certain charities that do not have to register are still exempt from registration even if they make solicitations,

4. allows DCP to impose a $20 fine for certain returned electronic fund transfers, and

5. requires certain potentially hazardous food to meet federal standards.  

EFFECTIVE DATE: Upon passage

§§ 1-3 — REAL ESTATE APPRAISERS  
The bill allows appraisal management companies to receive an appraisal review request or order, instead of just receiving an appraisal request or order as under current law. An appraisal review is a report that reviews, among other things, the accuracy of an appraisal.

The bill also prohibits a person from owning an appraisal management company if the person had an appraiser license or
certificate denied, refused to be renewed, suspended, or revoked. Current law allows such person to own up to 10% of the company.

The bill eliminates the 30-day period during which an appraisal management company can remove appraisers from its appraiser panel or refuse to assign requests or orders without (1) notifying them in writing of the reasons why they are being removed and the nature of the alleged conduct or violation, if applicable and (2) providing the appraiser with an opportunity to respond.

§ 4 — REAL ESTATE LICENSE REVOCATION HEARINGS

The bill eliminates the automatic license forfeiture for real estate brokers and salespersons who are convicted of certain crimes involving fraud or money and instead allows DCP to revoke the license and subjects the licensee to existing law’s revocation procedures. These crimes are forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or other like offense or offenses.

§ 5 — CHARITABLE SOLICITATION REGISTRATION EXEMPTION

By law, charities that solicit generally need to register with DCP, but certain charitable organizations are exempt, including religious corporations, parent-teacher associations, non-profit hospitals, and any governmental unit, among others. But exempt charities must submit any information the department requires to substantiate the exemption.

The bill specifies that these organizations do not need to register even if they engage in solicitation and must provide the information substantiating the exemption before conducting any solicitation or having any solicitation done on their behalf.

§ 6 — FINES FOR UNCOLLECTIBLE ELECTRONIC PAYMENTS

As already allowed under existing law for returned checks, the bill allows the DCP commissioner to (1) impose a $20 fine on any DCP permit or license applicant whose electronic funds transfer is returned as uncollectable and (2) require the applicant to pay DCP any fees
charged by a financial institution on the department due to the returned transfer.

§ 7 — POTENTIALLY HAZARDOUS FOOD

Under current law, a cottage food producer must not produce potentially hazardous food, which means a food that requires time and temperature control for safety to limit pathogenic microorganism growth or toxin formation. The bill specifies that the time and temperature control for food safety must be consistent with the U.S. Food and Drug Administration’s Food Code definition, as amended from time to time and adopted by the public health commissioner by reference.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute
Yea 16  Nay 0  (03/21/2019)