



House of Representatives

General Assembly

File No. 347

January Session, 2025

Substitute House Bill No. 6856

House of Representatives, March 31, 2025

The Committee on General Law reported through REP. LEMAR of the 96th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

**AN ACT CONCERNING THE ATTORNEY GENERAL'S
RECOMMENDATIONS REGARDING CONSUMER PRODUCTS,
ABNORMAL ECONOMIC DISRUPTIONS AND PRECIPITATING
EVENTS.**

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

- 1 Section 1. (*Effective from passage*) (a) As used in this section:
- 2 (1) "Consumer product" has the same meaning as provided in section
- 3 22a-256 of the general statutes; and
- 4 (2) "Vendor" has the same meaning as provided in section 42-230 of
- 5 the general statutes, as amended by this act.
- 6 (b) The University of Connecticut School of Business shall conduct a
- 7 study concerning efforts made by vendors to reduce the quantities,
- 8 amounts, weights or sizes of consumer products offered or sold in this
- 9 state during the period beginning on May 1, 2005, and ending on April
- 10 30, 2025.
- 11 (c) Not later than October 1, 2025, The University of Connecticut
- 12 School of Business shall submit a report on the results of the study
- 13 conducted pursuant to subsection (b) of this section to (1) the joint

14 standing committee of the General Assembly having cognizance of
15 matters relating to consumer protection, in accordance with the
16 provisions of section 11-4a of the general statutes, and (2) the office of
17 the Attorney General.

18 Sec. 2. Section 42-230 of the general statutes is repealed and the
19 following is substituted in lieu thereof (*Effective July 1, 2025*):

20 (a) As used in this section:

21 (1) "Abnormal economic disruption" means a significant disruption
22 in the production, supply, distribution, wholesale, sale or availability of
23 a consumer necessity that (A) is caused by a natural or man-made
24 disaster or emergency, regardless of the location of such disaster or
25 emergency, and (B) causes ordinary competitive market forces to cease
26 functioning normally;

27 (2) "Consumer necessity" (A) means an item purchased by or on
28 behalf of a state agency, as defined in section 1-79, for the purpose of
29 ensuring the public health or safety of the residents of this state, (B)
30 includes, but is not limited to, food, diapers, baby formula,
31 pharmaceutical products and prescription drugs, and (C) does not
32 include any item that is subject to a continuous maximum price
33 requirement established in any applicable federal or state law or
34 regulation;

35 (3) "Precipitating event" means (A) a civil preparedness emergency
36 declaration issued by the Governor pursuant to chapter 517, (B) a
37 transportation emergency declaration issued by the Governor pursuant
38 to section 3-6b, (C) an abnormal economic disruption notice issued by
39 the Attorney General pursuant to subsection (b) of this section, or (D) a
40 major disaster or emergency declaration issued by the President of the
41 United States;

42 (4) "Unconscionably excessive price" means an increased price at
43 which a vendor leases, rents or sells an item during a precipitating event
44 if (A) the increased price is grossly disproportionate to the price at

45 which the vendor leased, rented or sold such item (i) immediately before
46 the precipitating event, or (ii) while the precipitating event was
47 reasonably anticipated, and (B) the increased price is not attributable to
48 additional costs incurred by the vendor in leasing, renting or selling the
49 item during the precipitating event; and

50 (5) "Vendor" means a person, corporation or firm, including, but not
51 limited to, a distributor, manufacturer, retailer, supplier or wholesaler.

52 (b) (1) If the Attorney General determines that an abnormal economic
53 disruption exists or is substantially likely to be imminent, the Attorney
54 General may issue a notice for such existing or imminent abnormal
55 economic disruption. The Attorney General shall make such
56 determination (A) following a reasonable investigation and consultation
57 with the Commissioner of Consumer Protection and the Commissioner
58 of Economic and Community Development, and (B) with due
59 consideration for whether issuing such notice will disrupt the supply of
60 consumer necessities.

61 (2) (A) A notice of an existing or imminent abnormal economic
62 disruption issued by the Attorney General pursuant to subdivision (1)
63 of this subsection shall:

64 (i) Specify (I) the date on which the Attorney General issued such
65 notice, (II) the anticipated end date of the period for which the Attorney
66 General issued such notice, (III) the conditions that have caused, or are
67 substantially likely to have caused, such abnormal economic disruption,
68 (IV) the consumer necessity, consumer necessities or categories of
69 consumer necessities affected by such abnormal economic disruption
70 and therefore subject to the provisions of this section, and (V) the levels
71 of trade or commerce affected by such abnormal economic disruption
72 and therefore subject to the provisions of this section, which levels may
73 include, but need not be limited to, production, supply, distribution,
74 wholesale, sale or availability;

75 (ii) Be posted by the Attorney General on the home page of the
76 Internet web site of the office of the Attorney General;

77 (iii) Be filed by the Attorney General (I) with the Secretary of the State,
78 in a form and manner prescribed by the Secretary of the State, and (II)
79 in writing with the joint legislative committee described in
80 subparagraph (B)(i) of this subdivision; and

81 (iv) Except as provided in subparagraph (B) of this subdivision or
82 subdivision (3) of this subsection, expire sixty days after the Attorney
83 General issued such notice or on an earlier date specified by the
84 Attorney General in such notice, whichever occurs first.

85 (B) (i) A notice of an existing or imminent abnormal economic
86 disruption issued by the Attorney General pursuant to subdivision (1)
87 of this subsection may be disapproved by a majority vote of a joint
88 legislative committee consisting of the president pro tempore of the
89 Senate, the speaker of the House of Representatives and the majority
90 and minority leaders of both houses of the General Assembly, provided
91 (I) at least one of the minority leaders votes for disapproval, and (II)
92 notice of such disapproval is filed with the Secretary of the State, in a
93 form and manner prescribed by the Secretary of the State, not later than
94 seventy-two hours after the joint legislative committee receives written
95 notice from the Attorney General pursuant to subparagraph (A)(iii)(II)
96 of this subdivision.

97 (ii) Any disapproval under subparagraph (B)(i) of this subdivision
98 shall become effective when notice of such disapproval is filed with the
99 Secretary of the State, in a form and manner prescribed by the Secretary
100 of the State.

101 (3) (A) The Attorney General may, at any time, modify a notice of an
102 existing or imminent abnormal economic disruption issued pursuant to
103 subdivision (1) of this subsection, or extend the term of any such notice
104 for one or more additional sixty-day periods, provided the Attorney
105 General issues a notice that:

106 (i) Specifies (I) the information required under subparagraph (A)(i)
107 of subdivision (2) of this subsection, and (II) the grounds for such
108 modification or extension;

109 (ii) Is posted by the Attorney General on the home page of the
110 Internet web site of the office of the Attorney General; and

111 (iii) Is filed by the Attorney General (I) with the Secretary of the State,
112 in a form and manner prescribed by the Secretary of the State, and (II)
113 in writing with the joint legislative committee described in
114 subparagraph (B)(i) of subdivision (2) of this subsection.

115 (B) (i) A modification or extension notice issued by the Attorney
116 General pursuant to subparagraph (A) of this subdivision may be
117 disapproved by a majority vote of the joint legislative committee
118 described in subparagraph (B)(i) of subdivision (2) of this subsection,
119 provided (I) at least one of the minority leaders votes for disapproval,
120 and (II) notice of such disapproval is filed with the Secretary of the State,
121 in a form and manner prescribed by the Secretary of the State, not later
122 than seventy-two hours after the joint legislative committee receives
123 written notice from the Attorney General pursuant to subparagraph
124 (A)(iii)(II) of this subdivision.

125 (ii) Any disapproval under subparagraph (B)(i) of this subdivision
126 shall become effective when notice of such disapproval is filed with the
127 Secretary of the State, in a form and manner prescribed by the Secretary
128 of the State.

129 (c) No [person, firm or corporation] vendor shall [increase the price
130 of] lease, rent or sell, or offer to lease, rent or sell, any item [which such
131 person, firm or corporation sells or offers for sale at retail] in the chain
132 of distribution at an unconscionably excessive price at any location in
133 an area which is the subject of any [disaster emergency declaration
134 issued by the Governor pursuant to chapter 517, any transportation
135 emergency declaration issued by the Governor pursuant to section 3-6b
136 or any major disaster or emergency declaration issued by the President
137 of the United States, until the period of emergency or disaster is declared
138 by] precipitating event until the Governor, the Attorney General or the
139 President, as applicable, declares such precipitating event to be at an
140 end. [Nothing in this section shall prohibit the fluctuation in the price of
141 items sold at retail which occurs during the normal course of business.

142 Any person, firm or corporation which violates any provision of this
143 section shall be fined not more than ninety-nine dollars.]

144 (d) Any violation of the provisions of this section shall be deemed an
145 unfair or deceptive trade practice under subsection (a) of section 42-
146 110b. The Attorney General shall have (1) exclusive authority to enforce
147 the provisions of this section on behalf of the state, and (2) for the
148 purposes of this section, the authority to (A) order an investigation or
149 examination pursuant to section 42-110d, or (B) take such other
150 enforcement action under sections 42-110e to 42-110q, inclusive, as the
151 Attorney General deems necessary.

152 Sec. 3. Subsection (b) of section 51-164n of the general statutes is
153 repealed and the following is substituted in lieu thereof (*Effective July 1,*
154 *2025*):

155 (b) Notwithstanding any provision of the general statutes, any person
156 who is alleged to have committed (1) a violation under the provisions of
157 section 1-9, 1-10, 1-11, 2-71h, 4b-13, 7-13, 7-14, 7-35 or 7-41, subsection (c)
158 of section 7-66, section 7-83, 7-147h, 7-148, 7-283, 7-325, 7-393, 8-12, 8-25,
159 8-27, 9-63, 9-322, 9-350, 10-185, 10-193, 10-197, 10-198, 10-230, 10-251, 10-
160 254, 10a-35, 12-52, 12-54, 12-129b or 12-170aa, subdivision (3) of
161 subsection (e) of section 12-286, section 12-286a, 12-292, 12-314b or 12-
162 326g, subdivision (4) of section 12-408, subdivision (3), (5) or (6) of
163 section 12-411, section 12-435c, 12-476a, 12-476b, 12-476c, 12-487, 13a-
164 26b, 13a-71, 13a-107, 13a-113, 13a-114, 13a-115, 13a-117b, 13a-123, 13a-
165 124, 13a-139, 13a-140, 13a-143b, 13a-253, 13a-263 or 13b-39f, subsection
166 (f) of section 13b-42, section 13b-90 or 13b-100, subsection (a) of section
167 13b-108, section 13b-221 or 13b-292, subsection (a) or (b) of section 13b-
168 324, section 13b-336, 13b-337, 13b-338, 13b-410a, 13b-410b or 13b-410c,
169 subsection (a), (b) or (c) of section 13b-412, section 13b-414 or 14-4,
170 subdivision (2) of subsection (a) of section 14-12, subsection (d) of
171 section 14-12, subsection (f) of section 14-12a, subsection (a) of section
172 14-15a, section 14-16c, 14-20a or 14-27a, subsection (f) of section 14-34a,
173 subsection (d) of section 14-35, section 14-43, 14-44j, 14-49, 14-50a, 14-58
174 or 14-62a, subsection (b) of section 14-66, section 14-66a or 14-67a,

175 subsection (g) of section 14-80, subsection (f) or (i) of section 14-80h,
176 section 14-97a or 14-98, subsection (a), (b) or (d) of section 14-100a,
177 section 14-100b, 14-103a, 14-106a, 14-106c, 14-145a, 14-146, 14-152, 14-
178 153, 14-161 or 14-163b, subsection (f) of section 14-164i, section 14-213b
179 or 14-219, subdivision (1) of section 14-223a, subsection (d) of section 14-
180 224, section 14-240, 14-250, 14-253a, 14-261a, 14-262, 14-264, 14-266, 14-
181 267a, 14-269, 14-270, 14-272b, 14-274, 14-275 or 14-275a, subsection (c) of
182 section 14-275c, section 14-276, subsection (a) or (b) of section 14-277,
183 section 14-278, 14-279 or 14-280, subsection (b), (e) or (h) of section 14-
184 283, section 14-283d, 14-283e, 14-283f, 14-283g, 14-291, 14-293b, 14-296aa,
185 14-298a, 14-300, 14-300d, 14-300f, 14-319, 14-320, 14-321, 14-325a, 14-326,
186 14-330 or 14-332a, subdivision (1), (2) or (3) of section 14-386a, section
187 15-15e, 15-25 or 15-33, subdivision (1) of section 15-97, subsection (a) of
188 section 15-115, section 16-15, 16-16, 16-44, 16-256e, 16-278 or 16a-15,
189 subsection (a) of section 16a-21, section 16a-22, subsection (a) or (b) of
190 section 16a-22h, section 16a-106, 17a-24, 17a-145, 17a-149 or 17a-152,
191 subsection (b) of section 17a-227, section 17a-465, subsection (c) of
192 section 17a-488, section 17b-124, 17b-131, 17b-137, 19a-33, 19a-39 or 19a-
193 87, subsection (b) of section 19a-87a, section 19a-91, 19a-102a, 19a-102b,
194 19a-105, 19a-107, 19a-113, 19a-215, 19a-216a, 19a-219, 19a-222, 19a-224,
195 19a-286, 19a-287, 19a-297, 19a-301, 19a-309, 19a-335, 19a-336, 19a-338,
196 19a-339, 19a-340, 19a-425, 19a-442, 19a-502, 19a-565, 20-7a, 20-14, 20-
197 153a, 20-158, 20-231, 20-233, 20-249, 20-257, 20-265, 20-324e, 20-329c or
198 20-329g, subsection (b) of section 20-334, section 20-341l, 20-366, 20-482,
199 20-597, 20-608, 20-610, 20-623, 21-1, 21-38, 21-39, 21-43, 21-47, 21-48 or
200 21-63, subsection (d) of section 21-71, section 21-76a or 21-100,
201 subsection (c) of section 21a-2, subdivision (1) of section 21a-19, section
202 21a-20 or 21a-21, subdivision (1) of subsection (b) of section 21a-25,
203 section 21a-26, subsection (a) of section 21a-37, section 21a-46, 21a-61,
204 21a-63, 21a-70b or 21a-77, subsection (b) or (c) of section 21a-79, section
205 21a-85 or 21a-154, subdivision (1) of subsection (a) of section 21a-159,
206 section 21a-278b, subsection (c), (d) or (e) of section 21a-279a, section
207 21a-415a, 21a-421eee, 21a-421fff or 21a-421hhh, subsection (a) of section
208 21a-430, section 22-12b, 22-13, 22-14, 22-15, 22-16, 22-26g, 22-30, 22-34,
209 22-35, 22-36, 22-38, 22-39, 22-39f, 22-49, 22-54, 22-61j or 22-61l,

210 subdivision (1) of subsection (n) of section 22-61l, subsection (f) of
211 section 22-61m, subdivision (1) of subsection (f) of section 22-61m,
212 section 22-84, 22-89, 22-90, 22-96, 22-98, 22-99, 22-100 or 22-111o,
213 subsection (d) of section 22-118l, section 22-167, subsection (c) of section
214 22-277, section 22-278, 22-279, 22-280a, 22-318a, 22-320h, 22-324a or 22-
215 326, subsection (b), subdivision (1) or (2) of subsection (e) or subsection
216 (g) of section 22-344, subsection (a) or (b) of section 22-344b, subsection
217 (d) of section 22-344d, section 22-344f, 22-350a, 22-354, 22-359, 22-366,
218 22-391, 22-413, 22-414, 22-415, 22-415c, 22a-66a or 22a-246, subsection (a)
219 of section 22a-250, section 22a-256g, subsection (e) of section 22a-256h,
220 section 22a-363 or 22a-381d, subsections (c) and (d) of section 22a-381e,
221 section 22a-449, 22a-450, 22a-461, 23-4b, 23-38, 23-45, 23-46 or 23-61b,
222 subsection (a) or subdivision (1) of subsection (c) of section 23-65, section
223 25-37 or 25-40, subsection (a) of section 25-43, section 25-43d, 25-135, 26-
224 18, 26-19, 26-21, 26-31, 26-40, 26-40a, 26-42, 26-43, 26-49, 26-54, 26-55, 26-
225 56, 26-58 or 26-59, subdivision (1) of subsection (d) of section 26-61,
226 section 26-64, subdivision (1) of section 26-76, section 26-79, 26-87, 26-89,
227 26-91, 26-94, 26-97, 26-98, 26-104, 26-105, 26-107, 26-114a, 26-117,
228 subsection (b) of section 26-127, 26-128, 26-128a, 26-131, 26-132, 26-138,
229 26-139 or 26-141, subdivision (1) of section 26-186, section 26-207, 26-215,
230 26-217 or 26-224a, subdivision (1) of section 26-226, section 26-227, 26-
231 230, 26-231, 26-232, 26-244, 26-257a, 26-260, 26-276, 26-280, 26-284, 26-
232 285, 26-286, 26-287, 26-288, 26-290, 26-291a, 26-292, 26-294, 27-107, 28-13,
233 29-6a, 29-16, 29-17, 29-25, 29-143o, 29-143z or 29-156a, subsection (b), (d),
234 (e), (g) or (h) of section 29-161q, section 29-161y or 29-161z, subdivision
235 (1) of section 29-198, section 29-210, 29-243 or 29-277, subsection (c) of
236 section 29-291c, section 29-316 or 29-318, subsection (b) of section 29-
237 335a, section 29-381, 30-19f, 30-48a or 30-86a, subsection (b) of section
238 30-89, subsection (c) or (d) of section 30-117, section 31-3, 31-10, 31-11,
239 31-12, 31-13, 31-14, 31-15, 31-16, 31-18, 31-23, 31-24, 31-25, 31-32, 31-36,
240 31-47 or 31-48, subsection (b) of section 31-48b, section 31-51, 31-51g, 31-
241 52, 31-52a, 31-53 or 31-54, subsection (a) or (c) of section 31-69, section
242 31-70, 31-74, 31-75, 31-76, 31-76a, 31-89b or 31-134, subsection (i) of
243 section 31-273, section 31-288, 31-348, 33-624, 33-1017, 34-13d or 34-412,
244 subdivision (1) of section 35-20, subsection (a) of section 36a-57,

245 subsection (b) of section 36a-665, section 36a-699, 36a-739, 36a-787, 38a-
 246 2 or 38a-140, subsection (a) or (b) of section 38a-278, section 38a-479qq,
 247 38a-479rr, 38a-506, 38a-548, 38a-626, 38a-680, 38a-713, 38a-733, 38a-764,
 248 38a-786, 38a-828, 38a-829, 38a-885, 42-133hh, [42-230,] 42-470 or 42-480,
 249 subsection (a) or (c) of section 43-16q, section 45a-283, 45a-450, 45a-634
 250 or 45a-658, subdivision (13) or (14) of section 46a-54, section 46a-59, 46a-
 251 81b, 46b-22, 46b-24, 46b-34, 46b-38d, 47-34a, 47-47 or 47-53, subsection
 252 (i) of section 47a-21, subdivision (1) of subsection (k) of section 47a-21,
 253 section 49-2a, 49-8a, 49-16, 52-143 or 52-289, subsection (j) of section 52-
 254 362, section 53-133, 53-199, 53-212a, 53-249a, 53-252, 53-264, 53-280, 53-
 255 290a, 53-302a, 53-303e, 53-311a, 53-314, 53-321, 53-322, 53-323 or 53-331,
 256 subsection (b) of section 53-343a, section 53-344, subsection (b) or (c) of
 257 section 53-344b, subsection (b) of section 53-345a, section 53-377, 53-422
 258 or 53-450 or subsection (i) of section 54-36a, or (2) a violation under the
 259 provisions of chapter 268, or (3) a violation of any regulation adopted in
 260 accordance with the provisions of section 12-484, 12-487 or 13b-410, or
 261 (4) a violation of any ordinance, regulation or bylaw of any town, city or
 262 borough, except violations of building codes and the health code, for
 263 which the penalty exceeds ninety dollars but does not exceed two
 264 hundred fifty dollars, unless such town, city or borough has established
 265 a payment and hearing procedure for such violation pursuant to section
 266 7-152c, shall follow the procedures set forth in this section.

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

Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2025</i>	42-230
Sec. 3	<i>July 1, 2025</i>	51-164n(b)

Statement of Legislative Commissioners:

In Section 2(b)(2)(B)(i)(I) and (3)(B)(i)(I), "minority members of the committee" was changed to "minority leaders" for internal consistency.

GL *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
UConn	GF - Cost	150,000 to 300,000	None
Resources of the General Fund	GF - Potential Revenue Loss	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill makes various changes regarding price gouging resulting in the cost and potential revenue loss described below.

Section 1 results in a one-time cost of between \$150,000 and \$300,000 to the University of Connecticut (UConn) in FY 26. It does so by requiring UConn to complete a study, by October 1, 2025, of efforts by vendors to reduce the quantities, or amounts, of products sold in the state over the last two decades.

Given the time period covered by the study, and the timeframe in which UConn is required to complete it, it is anticipated that UConn will have to hire a consultant at an estimated cost of between \$150,000 and \$300,000.

There is no fiscal impact in the out years. It is anticipated that the above identified cost is one-time in nature, occurring in FY 26 only.

Section 2 makes various changes to the price gouging statutes resulting in no fiscal impact to the state.

Section 3 removes a \$99 fine resulting in a potential minimal revenue loss to the state to the extent violations occur.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of violations.

OLR Bill Analysis**sHB 6856*****AN ACT CONCERNING THE ATTORNEY GENERAL'S RECOMMENDATIONS REGARDING CONSUMER PRODUCTS, ABNORMAL ECONOMIC DISRUPTIONS AND PRECIPITATING EVENTS.*****SUMMARY**

Current law generally prohibits any person, firm, or corporation from increasing the price of any retail item sold in a location subject to certain emergency declarations while the declaration is in effect.

This bill expands this price gouging prohibition in several ways, including applying it to an item's entire chain of distribution rather than just at retail and adding a new precipitating event when the prohibition applies.

It does so by allowing the attorney general to issue an abnormal economic disruption notice when certain events cause a significant disruption involving consumer necessities (e.g., food or prescription drugs) purchased by state agencies for the public. To issue this notice, among other requirements, he must consult certain state agencies and post a notice with specified information such as the anticipated date the period will end. The bill also allows a joint legislative committee to disapprove the notice by a bipartisan majority vote.

The bill also requires the UConn Business School to study vendors' efforts to reduce the quantities, amounts, weights, or sizes of consumer products offered or sold in Connecticut between May 1, 2005, and April 30, 2025. By October 1, 2025, the business school must submit the results to the General Law Committee and attorney general's office. For the study, a "consumer product" is any product used or bought primarily for personal, family, or household purposes.

EFFECTIVE DATE: July 1, 2025, except the study provision is effective upon passage.

UNCONSCIONABLY EXCESSIVE PRICE

Under the bill, price gouging is selling, renting, or leasing an item, or offering to do so, at an “unconscionably excessive price.” This is an increased price during a precipitating event (see below) that is (1) grossly disproportionate to the price of the item, either immediately before the precipitating event or while the event was reasonably anticipated, and (2) not due to additional costs incurred in leasing, renting, or selling the item during the event.

PRECIPITATING EVENTS

Under existing law, price gouging is prohibited during the following declared emergencies:

1. a civil preparedness emergency, which the governor may declare in the event or imminence of an emergency, serious disaster or enemy attack, sabotage, or other hostile action within the state or a neighboring state (CGS § 28-1);
2. a transportation emergency, which the governor may declare when a substantial disruption in the operation of a major transportation facility or service occurs, endangering the public health, safety, or welfare (CGS § 3-6b); and
3. major disaster or emergency declarations issued by the U.S. president.

The bill categorizes these as “precipitating events” and adds another. The new event is when the attorney general issues an abnormal economic disruption notice.

ABNORMAL ECONOMIC DISRUPTION

Under the bill, if the attorney general determines that an abnormal economic disruption exists or is substantially likely to be imminent, then he may issue a notice for the disruption.

An “abnormal economic disruption” is a significant disruption in the production, supply, distribution, wholesale, sale, or availability of a consumer necessity that (1) is caused by a natural or man-made disaster or emergency, regardless of its location, and (2) causes ordinary competitive market forces to stop functioning normally.

A “consumer necessity” is an item purchased by or on behalf of a state agency to ensure the public health or safety of Connecticut residents. This includes food, diapers, baby formula, pharmaceutical products, and prescription drugs, but does not include any item that is subject to a continuous maximum price requirement under any applicable federal or state law or regulation.

Attorney General Determination

In making the determination, the bill requires the attorney general to (1) make a reasonable investigation, (2) consult with the consumer protection and economic and community development commissioners, and (3) consider whether issuing the notice will disrupt the supply of consumer necessities.

Notice

Under the bill, the notice must specify:

1. the date the attorney general issued it;
2. the anticipated end date of the abnormal economic disruption period;
3. the conditions that have caused, or are substantially likely to have caused, the disruption;
4. the consumer necessity, consumer necessities, or categories of them affected by the disruption and subject to the price gouging prohibition; and
5. the levels of trade or commerce affected by the disruption and subject to the price gouging prohibition, including production, supply, distribution, wholesale, sale, or availability.

The bill also requires the attorney general to (1) post the notice on his office's website home page and (2) file it with the (a) Secretary of the State (SOTS), in a SOTS-prescribed form and manner, and (b) joint legislative committee (see *Disapproval*).

Unless the notice is disapproved or the attorney general modifies it, the notice expires 60 days after the attorney general issues it or on an earlier date he specifies, whichever occurs first.

Modifications

The bill allows the attorney general to modify a notice at any time. It also allows him to extend the notice for additional 60-day periods. To do so, he must issue a notice that includes the information the bill requires for an initial notice and the reasons for the modification or extension. The bill also requires him to post and file the modification or extension the same way as a notice.

Disapproval

The bill allows a joint legislative committee consisting of the Senate president pro tempore, House speaker, and the House and Senate majority and minority leaders to disapprove a notice, extension, or modification by a majority vote, with at least one minority leader voting for disapproval. The notice of the disapproval must be filed with SOTS, in a SOTS-prescribed form and manner, within 72 hours after the committee receives notice from the attorney general. The disapproval is effective upon this filing.

APPLICABILITY TO ADDITIONAL TRANSACTIONS

Additionally, the bill expands current law's price gouging prohibition in the following ways:

1. adds distributors, manufacturers, suppliers, and wholesalers (or anyone else) to the actors, rather than just retailers (collectively, "vendors") to which the prohibition applies;
2. correspondingly expands the prohibition to an item's entire chain of distribution, rather than just at retail; and

3. adds rental and leasing, or offers to rent or lease, to the transactions to which the prohibition applies.

PRICE FLUCTUATIONS

The bill removes the exception in current law that specifies that an item's retail price fluctuation during the normal course of business does not violate the price gouging law.

ENFORCEMENT

By law, a violation of the price gouging prohibition is a Connecticut Unfair Trade Practices Act (CUTPA) violation. The bill gives the attorney general exclusive authority to enforce this on the state's behalf. It also gives him authority to, as outlined in CUTPA, (1) order an investigation or examination or (2) take other enforcement action as necessary.

The bill also removes the separate \$99 fine for violators and makes a conforming change (§ 3).

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 15 Nay 7 (03/12/2025)