# STATE OF CONNECTICUT

#### Senate

File No. 570

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General Assembly

January Session, 2025

Substitute Senate Bill No. 3

Senate, April 8, 2025

The Committee on General Law reported through SEN. MARONEY of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

#### AN ACT CONCERNING CONSUMER PROTECTION AND SAFETY.

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

- Section 1. (NEW) (*Effective July 1, 2026*) (a) For the purposes of this section:
- 3 (1) "Business" has the same meaning as provided in section 42-158ff 4 of the general statutes; and
- 5 (2) "Person" has the same meaning as provided in section 1-79 of the general statutes.
- 7 (b) (1) Except as provided in subdivision (2) of this subsection, no 8 business that offers to sell, lease or otherwise provide any good or 9 service shall:
- 10 (A) Advertise, display or otherwise offer such good or service to any 11 person at a price that excludes any fee, charge or cost that such person
- 12 is required to pay in order to purchase, lease or otherwise receive such

13 good or service; or

(B) Require any person to pay any fee, charge or cost to purchase, lease or otherwise receive such good or service if such fee, charge or cost (i) is not advertised, displayed or otherwise offered in compliance with the provisions of subparagraph (A) of this subdivision, or (ii) is intentionally obscured, unclear or misrepresented by such business.

- (2) The provisions of subdivision (1) of this subsection shall not be construed to:
- (A) Prohibit a business from omitting any applicable federal, state or local tax, or any mandatory fee imposed by any government, governmental subdivision, agency or instrumentality or quasi-governmental instrumentality, from any advertised, displayed or otherwise offered price for a good or service if such tax or fee is disclosed to the person before such person purchases, leases or otherwise receives the good or service;
- (B) Prohibit a business from imposing any mandatory gratuity, or omitting any mandatory gratuity from any advertised or displayed price for a good or service, if the existence of such mandatory gratuity and the manner in which such mandatory gratuity is calculated are clearly and conspicuously disclosed to the person before the person selects the good or service for purchase, leasing or receipt;
- (C) Prohibit a business from imposing any fee, charge or cost for a good or service, or omitting the amount of any fee, charge or cost from any advertised or displayed price for a good or service, if (i) the amount of such fee, charge or cost is (I) dependent on the person's selections or cannot feasibly be calculated in full when the price for such good or service is first advertised or displayed, including, but not limited to, any fee, charge or cost imposed for shipping or delivery or that varies according to such person's location or the quantity or number of goods purchased, leased or otherwise received by such person, or (II) charged to the person for the purpose of confirming such person's identity or payment information, in an amount that does not exceed one dollar and is promptly refunded to the person, (ii) the existence of such fee, charge or cost is disclosed when the good or service is advertised or displayed

47 to the person, and (iii) the amount of such fee, charge or cost is disclosed

- 48 to the person before such person purchases, leases or otherwise receives
- 49 such good or service;
- 50 (D) Apply to any transaction that is subject to the provisions of chapter 704 of the general statutes;
- 52 (E) Apply to any transaction, action or act that qualifies for an exception set forth in section 42-110c of the general statutes;
- 54 (F) Apply to, or permit, any surcharge prohibited under section 42-55 133ff of the general statutes; or
- 56 (G) Apply to any transaction unless such transaction involves (i) a 57 person residing in this state, or (ii) the offer, sale, rental, lease or 58 distribution of any good or service in this state.
- (c) Any violation of subdivision (1) of subsection (b) of this section
  shall be deemed an unfair or deceptive trade practice under subsection
  (a) of section 42-110b of the general statutes.
- Sec. 2. (NEW) (*Effective July 1, 2026*) (a) For the purposes of this section:
- (1) "Connected device" means an Internet-connected device, including, but not limited to, a cellular telephone, computer, home appliance, motor vehicle, tablet, television, toy or video game console, that includes a camera or microphone;
- 68 (2) "Connected device manufacturer" means a person doing business 69 in this state who manufactures a connected device;
- 70 (3) "Initial consumer" means an individual who is (A) a resident of 71 this state, and (B) with respect to any connected device, the first 72 individual to lease, purchase or assume ownership of such connected 73 device;
- 74 (4) "Person" means an individual, association, corporation, limited 75 liability company, partnership, trust or other legal entity;

76 (5) "Personally identifying information" has the same meaning as 77 provided in section 42-284 of the general statutes;

- (6) "Provider" means (A) a connected device manufacturer, and (B) any person who (i) enters into a contract with a connected device manufacturer, and (ii) receives access to (I) any camera or microphone included in a connected device manufactured by the connected device manufacturer, (II) any image or video collected, recorded, stored, analyzed, interpreted or transmitted by way of any camera included in any connected device manufactured by the connected device manufacturer, or (III) any spoken word or other sound collected, recorded, stored, analyzed, interpreted or transmitted by way of any microphone included in any connected device manufactured by the connected device manufacturer; and
- 89 (7) "Toy" means a product that a manufacturer designs, or intends to 90 be used, for amusement or play.
  - (b) No provider shall allow any person to activate any connected device unless the provider:
    - (1) Prominently displays to the initial consumer or any person whom the initial consumer designates to first install or set up the connected device, at the time that such initial consumer or person first installs or sets up such connected device:
- 97 (A) A disclaimer in the following form:

- 98 "This device transmits audio and/or video back to the manufacturer 99 and/or a third party and which may be recorded."; and
  - (B) A statement disclosing (i) that such connected device includes a camera or microphone, (ii) that the camera or microphone included in such connected device will be enabled or turned on, (iii) that such connected device might record such initial consumer, (iv) that the connected device manufacturer of such connected device or another provider might retain recordings of such initial consumer, (v) which command or action will activate or enable operation of the camera or

microphone included in such connected device, (vi) the categories of images, videos or sounds that (I) the camera or microphone included in such connected device will look for, listen for or record, or (II) might be disclosed to any person other than such initial consumer, (vii) the categories of persons described in subparagraph (B)(vi)(II) of this subdivision, and (viii) that such initial consumer shall not be discriminated against if such initial consumer or person declines to activate a camera or microphone included in the connected device unless (I) such connected device is provided to such initial consumer as a condition of employment, or (II) declining to activate such camera or microphone would render such connected device useless; and

- (2) Provides to the initial consumer or any person whom the initial consumer designates to first install or set up the connected device, at the time that such initial consumer or person first installs or sets up such connected device, the ability to decline to activate a camera or microphone included in the connected device.
- (c) Each provider shall implement and maintain reasonable security measures to protect any personally identifying information collected through a camera or microphone included in a connected device from any unauthorized access, acquisition, destruction, disclosure, modification or use thereof.
- (d) No provider shall use or sell any recording collected through operation of a camera or microphone included in a connected device for the purposes of targeted advertising, as defined in section 42-515 of the general statutes.
- (e) No person shall compel any provider to build specific features for the purpose of allowing a law enforcement agency or officer to monitor communications through a camera or microphone included in a connected device.
- (f) Nothing in this section shall be construed to:
- 137 (1) Impose any liability on a provider for any functionality provided

by an application that an initial consumer (A) downloads and installs,

- or (B) chooses to use on a network of remote servers hosted on the
- 140 Internet to store, manage and process data;

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- 141 (2) Authorize disclosure of any recording retained by a provider to 142 another person, including, but not limited to, a law enforcement agency 143 or officer, unless such disclosure is authorized by other applicable law 144 or pursuant to an order issued by a court of competent jurisdiction; or
- (3) Modify, limit or supersede the operation of any other provision of
   the general statutes concerning privacy or security.
- (g) Any violation of subsections (b) to (d), inclusive, of this section
  shall be deemed an unfair or deceptive trade practice under subsection
  (a) of section 42-110b of the general statutes.
- Sec. 3. (NEW) (*Effective July 1, 2026*) (a) For the purposes of this section, unless the context otherwise requires:
- (1) "Antenna" includes, but is not limited to, any resonant device that is designed especially for the purpose of capturing electromagnetic energy transmitted by direct satellite or commercial radio or television broadcasting facilities;
  - (2) "Authorized repair provider" (A) means a person who (i) is unaffiliated with a manufacturer, and (ii) has an arrangement with a manufacturer (I) under which the manufacturer grants to the person a license to use a trade name, service mark or other proprietary identifier to offer diagnostic, maintenance or repair services for electronic or appliance products under the manufacturer's name, or (II) to offer diagnostic, maintenance or repair services for electronic or appliance products on behalf of the manufacturer, and (B) includes a manufacturer, with respect to any of such manufacturer's electronic or appliance products, if the manufacturer (i) offers diagnostic, maintenance or repair services for such product, and (ii) does not have an arrangement with an unaffiliated person to diagnose, maintain or repair such product;

(3) "Documentation" means any electronic or appliance product diagram, manual, reporting output, schematic, service code description or similar information that a manufacturer provides to an authorized repair provider or, if the manufacturer does not have an authorized repair provider, the manufacturer uses for the purpose of diagnosing, maintaining or repairing an electronic or appliance product;

- (4) "Electronic or appliance product" or "product" (A) means any antenna, electronic set, major home appliance or rotator (i) that is manufactured for the first time, and first sold or used in this state, on or after July 1, 2026, and (ii) for which the manufacturer makes documentation, parts and tools available to an authorized repair provider, (B) includes, but is not limited to, any item set forth in subparagraph (A) of this subdivision that is sold through any method other than a direct retail sale, and (C) does not include any (i) alarm system, as defined in section 29-6c of the general statutes, (ii) motor vehicle, as defined in section 13b-387 of the general statutes, or any component used to maintain, manufacture or repair any motor vehicle, or (iii) video game console;
- (5) "Electronic set" includes, but is not limited to, any audio or video recorder or playback equipment, computer system, facsimile machine, photocopier, radio, television, video camera or video monitor that is normally used or sold for personal, family, household or home office use;
- 192 (6) "Fair and reasonable terms" means terms that satisfy the 193 requirements established in subdivision (3) of subsection (b) of this 194 section;
  - (7) "Manufacturer" means the person who manufactures an electronic or appliance product;
  - (8) "Major home appliance" includes, but is not limited to, any dishwasher, dryer, freezer, microwave oven, range, refrigerator, room air conditioner, trash compactor or washer that is normally used or sold for personal, family, household or home office use;

(9) "Part" means any replacement component or assembly of components, either new or used, that the manufacturer of an electronic or appliance product makes available to an authorized repair provider to facilitate the maintenance or repair of such product;

- (10) "Person" means an individual, association, corporation, limited liability company, partnership, trust or other legal entity;
- (11) "Rotator" includes, but is not limited to, an electromechanical device, used in connection with an antenna installation or repair, that is operated from a remote location to rotate an antenna on a horizontal plane;
- (12) "Service dealer" means any person who (A) is not an authorized repair provider or manufacturer, and (B) for compensation, engages in the business of, or holds such person out to the public as engaging in the business of, installing, maintaining, repairing or servicing any electronic or appliance product;
- (13) "Tool" (A) means any hardware implement, software program or other apparatus that the manufacturer of an electronic or appliance product makes available to an authorized repair provider for the diagnosis, maintenance or repair of such product, and (B) includes, but is not limited to, (i) any software or other mechanism that provisions, programs, pairs a part, provides or calibrates functionality or performs any other function necessary to repair an electronic or appliance product, or a part thereof, and return such product or part to its fully functional condition, and (ii) any update to any software or mechanism described in subparagraph (B)(i) of this subdivision;
- (14) "Trade secret" has the same meaning as provided in section 35-51 of the general statutes; and
- (15) "Video game console" (A) means any computing device, including, but not limited to, any console machine, handheld console device or similar device or system, that is primarily used by consumers to play video games, (B) includes, but is not limited to, the components

and peripherals of any computing device described in subparagraph (A)

- of this subdivision, and (C) does not include any (i) general or all-
- 234 purpose computing device, (ii) desktop, laptop or tablet computer, or
- 235 (iii) hand-held mobile telephone, as defined in section 14-296aa of the
- 236 general statutes.

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- (b) (1) The manufacturer of an electronic or appliance product shall make available, on fair and reasonable terms, to the owners of such product, service and repair facilities and service dealers documentation and functional parts and tools, inclusive of any updates thereto, that are sufficient to affect the diagnosis, maintenance or repair of such product:
- (A) For at least three years after the last date on which such manufacturer manufactured an electronic or appliance product of the same model or type if such product has a wholesale price to a retailer, or to any other person in any sale other than a direct retail sale, of at least fifty dollars but less than one hundred dollars, which wholesale price shall not exceed the manufacturer's suggested retail price for such electronic or appliance product; or
  - (B) For at least five years after the last date on which such manufacturer manufactured an electronic or appliance product of the same model or type if such product has a wholesale price to a retailer, or to any person in any sale other than a direct retail sale, of at least one hundred dollars, which wholesale price shall not exceed the manufacturer's suggested retail price for such electronic or appliance product.
  - (2) The time periods set forth in subparagraphs (A) and (B) of subdivision (1) of this subsection shall apply regardless of whether such time periods exceed the term of any warranty period for the electronic or appliance product.
  - (3) (A) For the purposes of subdivision (1) of this subsection and except as provided in subparagraph (B) of this subdivision, the manufacturer of an electronic or appliance product shall be deemed to have made documentation, functional parts and tools available on fair

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(i) Such manufacturer makes such documentation, parts and tools available at costs and on terms that are equivalent to the most favorable costs and terms under which such manufacturer offers such documentation, parts and tools to authorized repair providers, accounting for any discount, rebate, convenient and timely means of delivery, means of enabling fully restored and updated functionality, rights of use or other incentive or preference such manufacturer offers to authorized repair providers;

- (ii) For documentation, such manufacturer makes such documentation, including any relevant updates thereto, available at no charge, except such manufacturer may impose a charge for the reasonable actual costs incurred by such manufacturer in preparing and sending a physical printed version of such documentation to an owner, service and repair facility or service dealer if the owner, service and repair facility or service dealer requests a physical printed version of such documentation; and
- (iii) For tools, such manufacturer makes such tools available at no charge and without imposing any impediment to access or use such tools to diagnose, maintain or repair and enable full functionality of such product, or in a manner that does not impair the efficient and cost-effective performance of any such diagnosis, maintenance or repair, except such manufacturer may impose a charge for the reasonable actual costs incurred by such manufacturer in preparing and sending such tools to an owner, service and repair facility or service dealer in physical form if the owner, service and repair facility or service dealer requests such tools in physical form.
- (B) If a manufacturer does not use an authorized repair provider, the manufacturer of an electronic or appliance product shall be deemed to have made documentation, functional parts and tools available on fair and reasonable terms if such manufacturer makes such documentation, parts and tools available at a price that reflects the actual costs incurred by such manufacturer in preparing and delivering such documentation,

- 297 parts and tools, excluding any research and development costs.
- (c) If a service dealer or service and repair facility is not an authorized repair provider for an electronic or appliance product, the service dealer or service and repair facility shall, before repairing any such product, provide to the customer who requests such repair a written notice disclosing:
- 303 (1) That such service dealer or service and repair facility is not an authorized repair provider for such product; and
- (2) Whether such service dealer or service and repair facility uses any
  (A) used replacement parts, or (B) replacement parts provided by a
  supplier other than the manufacturer of such product.
- (d) (1) Except as provided in subdivision (2) of this subsection, no manufacturer or authorized repair provider shall be liable for any damage or injury caused to any electronic or appliance product, person or property that occurs as a result of any diagnosis, maintenance, modification or repair performed by an owner or a service dealer, including, but not limited to:
- 314 (A) Any indirect, incidental, special or consequential damages;
- 315 (B) Any loss of data, privacy or profits; or
- 316 (C) Any inability to use, or reduced functionality of, such product.
- 317 (2) The provisions of subdivision (1) of this subsection shall not apply 318 to any design defect or manufacturing flaw that existed prior to, or 319 independent of, any diagnosis, maintenance, modification or repair 320 described in said subdivision.
- 321 (e) No provision of this section shall be construed to:
- (1) Require the manufacturer of an electronic or appliance product to
  (A) disclose any trade secret, or license any intellectual property,
  including, but not limited to, any copyright or patent, unless such
  disclosure or license is necessary for such manufacturer to comply with

the provisions of this section, (B) make available any special documentation, tools or parts that would disable or override antitheft security measures set by the owner of any such product without such owner's authorization, or (C) sell any part if such manufacturer no longer (i) provides such part, or (ii) makes such part available to authorized repair providers;

- (2) Require any manufacturer of an electronic or appliance product that is an authorized repair provider within the meaning of subparagraph (B) of subdivision (2) of subsection (a) of this section to make available any documentation or tools that (A) such manufacturer exclusively uses to perform, at no cost to customers, remote diagnostic services, including, but not limited to, remote diagnostic services performed by way of the Internet, electronic mail or any chat function or telephonic means, that do not require such manufacturer to physically handle a customer's electronic or appliance product, unless such manufacturer also makes such documentation or tools available to any person who is unaffiliated with such manufacturer, or (B) are exclusively used by machines that simultaneously repair several electronic or appliance products, provided such manufacturer makes available to the owners of such product, service and repair facilities and service dealers sufficient alternative documentation and tools to diagnose, maintain or repair such product;
- (3) Require distribution of the source code for an electronic or appliance product; or
- (4) Apply to (A) the manufacturer of an electronic or appliance product if such manufacturer provides to a customer, at no charge to the customer, a replacement electronic or appliance product that is readily available and equivalent to, or better than, the replaced electronic or appliance product, (B) any dealer, distributor, importer or manufacturer of any equipment designed and manufactured exclusively for off-road or nonroad use, including, but not limited to, any (i) all-terrain sports vehicle, (ii) construction or compact construction equipment, (iii) electric vehicle charging infrastructure equipment, (iv) farm or utility

tractor, (v) farm implement, (vi) farm machinery, (vii) forestry equipment, (viii) fuel cell, (ix) garden, turf or yard equipment, (x) generator set, (xi) industrial equipment, (xii) integrated, stand-alone, mobile or stationary internal combustion engine, (xiii) marine vehicle, (xiv) mining equipment, (xv) outdoor power equipment, (xvi) portable generator, (xvii) power tool, (xviii) racing vehicle, (xix) recreational vehicle, as defined in section 14-1 of the general statutes, (xx) road building equipment, or (xxi) utility equipment, or (C) any accessory, attachment, component, repair part, technology or tool for any equipment described in subparagraph (B) of this subdivision.

- (f) A violation of subsections (b) to (e), inclusive, of this section shall be deemed an unfair trade practice under subsection (a) of section 42-110b of the general statutes and shall be enforced solely by the Attorney General. The provisions of section 42-110g of the general statutes shall not apply to any such violation.
- Sec. 4. (NEW) (*Effective from passage*) Notwithstanding the provisions of any municipal charter, special act or home rule ordinance, not later than July 1, 2027, each municipality shall (1) register a ".gov" Internet top-level domain for such municipality with the Cybersecurity and Infrastructure Security Agency within the United States Department of Homeland Security, and (2) redirect any existing Internet web site addresses maintained by such municipality to such domain or discontinue the use of such addresses. On and after July 1, 2027, each municipality shall maintain an Internet web site with a ".gov" Internet top-level domain. For the purposes of this section, "municipality" has the same meaning as provided in section 7-479a of the general statutes.
- Sec. 5. Section 42-230 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

#### (a) As used in this section:

(1) "Abnormal economic disruption" means a significant disruption in the production, supply, distribution, wholesale, sale or availability of a consumer necessity that (A) is caused by a natural or man-made

391 <u>disaster or emergency, regardless of the location of such disaster or</u> 392 <u>emergency, and (B) causes ordinary competitive market forces to cease</u> 393 functioning normally;

- 394 (2) "Consumer necessity" (A) means an item purchased by or on 395 behalf of a state agency, as defined in section 1-79, for the purpose of ensuring the public health or safety of the residents of this state, (B) 396 includes, but is not limited to, food, diapers, baby formula, 397 pharmaceutical products and prescription drugs, and (C) does not 398 399 include any item that is subject to a continuous maximum price requirement established in any applicable federal or state law or 400 401 regulation;
- 402 (3) "Precipitating event" means (A) a civil preparedness emergency
  403 declaration issued by the Governor pursuant to chapter 517, (B) a
  404 transportation emergency declaration issued by the Governor pursuant
  405 to section 3-6b, (C) an abnormal economic disruption notice issued by
  406 the Attorney General pursuant to subsection (b) of this section, or (D) a
  407 major disaster or emergency declaration issued by the President of the
  408 United States;
- 409 (4) "Unconscionably excessive price" means an increased price at which a vendor leases, rents or sells an item during a precipitating event 410 411 if (A) the increased price is grossly disproportionate to the price at 412 which the vendor leased, rented or sold such item (i) immediately before the precipitating event, or (ii) while the precipitating event was 413 414 reasonably anticipated, and (B) the increased price is not attributable to 415 additional costs incurred by the vendor in leasing, renting or selling the item during the precipitating event; and 416
  - (5) "Vendor" means a person, corporation or firm, including, but not limited to, a distributor, manufacturer, retailer, supplier or wholesaler.

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(b) (1) If the Attorney General determines that an abnormal economic disruption exists or is substantially likely to be imminent, the Attorney General may issue a notice for such existing or imminent abnormal economic disruption. The Attorney General shall make such

423 determination (A) following a reasonable investigation and consultation

- 424 with the Commissioner of Consumer Protection and the Commissioner
- 425 of Economic and Community Development, and (B) with due
- 426 <u>consideration for whether issuing such notice will disrupt the supply of</u>
- 427 <u>consumer necessities.</u>
- 428 (2) (A) A notice of an existing or imminent abnormal economic
- disruption issued by the Attorney General pursuant to subdivision (1)
- 430 of this subsection shall:
- (i) Specify (I) the date on which the Attorney General issued such
- 432 <u>notice, (II) the anticipated end date of the period for which the Attorney</u>
- 433 General issued such notice, (III) the conditions that have caused, or are
- 434 <u>substantially likely to have caused, such abnormal economic disruption,</u>
- 435 (IV) the consumer necessity, consumer necessities or categories of
- 436 consumer necessities affected by such abnormal economic disruption
- and therefore subject to the provisions of this section, and (V) the levels
- 438 of trade or commerce affected by such abnormal economic disruption
- and therefore subject to the provisions of this section, which levels may
- include, but need not be limited to, production, supply, distribution,
- 441 wholesale, sale or availability:
- (ii) Be posted by the Attorney General on the home page of the
- 443 <u>Internet web site of the office of the Attorney General;</u>
- 444 (iii) Be filed by the Attorney General (I) with the Secretary of the State,
- in a form and manner prescribed by the Secretary of the State, and (II)
- 446 in writing with the joint legislative committee described in
- subparagraph (B)(i) of this subdivision; and
- 448 (iv) Except as provided in subparagraph (B) of this subdivision or
- subdivision (3) of this subsection, expire sixty days after the Attorney
- 450 General issued such notice or on an earlier date specified by the
- 451 Attorney General in such notice, whichever occurs first.
- 452 (B) (i) A notice of an existing or imminent abnormal economic
- disruption issued by the Attorney General pursuant to subdivision (1)

of this subsection may be disapproved by a majority vote of a joint 454 455 legislative committee consisting of the president pro tempore of the 456 Senate, the speaker of the House of Representatives and the majority and minority leaders of both houses of the General Assembly, provided 457 458 (I) at least one of the minority leaders votes for disapproval, and (II) 459 notice of such disapproval is filed with the Secretary of the State, in a 460 form and manner prescribed by the Secretary of the State, not later than seventy-two hours after the joint legislative committee receives written 461 notice from the Attorney General pursuant to subparagraph (A)(iii)(II) 462

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

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- 468 (3) (A) The Attorney General may, at any time, modify a notice of an
- existing or imminent abnormal economic disruption issued pursuant to
- 470 <u>subdivision (1) of this subsection, or extend the term of any such notice</u>
- 471 <u>for one or more additional sixty-day periods, provided the Attorney</u>
- 472 General issues a notice that:

of this subdivision.

- 473 (i) Specifies (I) the information required under subparagraph (A)(i)
- of subdivision (2) of this subsection, and (II) the grounds for such
- 475 <u>modification or extension;</u>
- (ii) Is posted by the Attorney General on the home page of the
- 477 <u>Internet web site of the office of the Attorney General; and</u>
- 478 (iii) Is filed by the Attorney General (I) with the Secretary of the State,
- in a form and manner prescribed by the Secretary of the State, and (II)
- 480 <u>in writing with the joint legislative committee described in</u>
- 481 <u>subparagraph (B)(i) of subdivision (2) of this subsection.</u>
- 482 (B) (i) A modification or extension notice issued by the Attorney
- 483 General pursuant to subparagraph (A) of this subdivision may be
- 484 <u>disapproved by a majority vote of the joint legislative committee</u>

described in subparagraph (B)(i) of subdivision (2) of this subsection, provided (I) at least one of the minority leaders votes for disapproval, and (II) notice of such disapproval is filed with the Secretary of the State, in a form and manner prescribed by the Secretary of the State, not later than seventy-two hours after the joint legislative committee receives written notice from the Attorney General pursuant to subparagraph (A)(iii)(II) of this subdivision.

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- (ii) Any disapproval under subparagraph (B)(i) of this subdivision shall become effective when notice of such disapproval is filed with the Secretary of the State, in a form and manner prescribed by the Secretary of the State.
- (c) No [person, firm or corporation shall increase the price of any item which such person, firm or corporation sells or offers for sale at retail] vendor shall lease, rent or sell, or offer to lease, rent or sell, any item in the chain of distribution at an unconscionably excessive price at any location in an area which is the subject of any [disaster emergency declaration issued by the Governor pursuant to chapter 517, any transportation emergency declaration issued by the Governor pursuant to section 3-6b or any major disaster or emergency declaration issued by the President of the United States, until the period of emergency or disaster is declared by the Governor or the President] precipitating event until the Governor, the Attorney General or the President, as applicable, declares such precipitating event to be at an end. [Nothing in this section shall prohibit the fluctuation in the price of items sold at retail which occurs during the normal course of business. Any person, firm or corporation which violates any provision of this section shall be fined not more than ninety-nine dollars.]
- (d) Any violation of the provisions of this section shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b. The Attorney General shall have (1) exclusive authority to enforce the provisions of this section on behalf of the state, and (2) for the purposes of this section, the authority to (A) order an investigation or examination pursuant to section 42-110d, or (B) take such other

enforcement action under sections 42-110e to 42-110q, inclusive, as the Attorney General deems necessary.

- Sec. 6. Subsection (b) of section 51-164n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2025):
- 523 (b) Notwithstanding any provision of the general statutes, any person 524 who is alleged to have committed (1) a violation under the provisions of 525 section 1-9, 1-10, 1-11, 2-71h, 4b-13, 7-13, 7-14, 7-35 or 7-41, subsection (c) 526 of section 7-66, section 7-83, 7-147h, 7-148, 7-283, 7-325, 7-393, 8-12, 8-25, 527 8-27, 9-63, 9-322, 9-350, 10-185, 10-193, 10-197, 10-198, 10-230, 10-251, 10-528 254, 10a-35, 12-52, 12-54, 12-129b or 12-170aa, subdivision (3) of 529 subsection (e) of section 12-286, section 12-286a, 12-292, 12-314b or 12-530 326g, subdivision (4) of section 12-408, subdivision (3), (5) or (6) of 531 section 12-411, section 12-435c, 12-476a, 12-476b, 12-476c, 12-487,13a-532 26b, 13a-71, 13a-107, 13a-113, 13a-114, 13a-115, 13a-117b, 13a-123, 13a-533 124, 13a-139, 13a-140, 13a-143b, 13a-253, 13a-263 or 13b-39f, subsection 534 (f) of section 13b-42, section 13b-90 or 13b-100, subsection (a) of section 535 13b-108, section 13b-221 or 13b-292, subsection (a) or (b) of section 13b-536 324, section 13b-336, 13b-337, 13b-338, 13b-410a, 13b-410b or 13b-410c, 537 subsection (a), (b) or (c) of section 13b-412, section 13b-414 or 14-4, 538 subdivision (2) of subsection (a) of section 14-12, subsection (d) of 539 section 14-12, subsection (f) of section 14-12a, subsection (a) of section 540 14-15a, section 14-16c, 14-20a or 14-27a, subsection (f) of section 14-34a, 541 subsection (d) of section 14-35, section 14-43, 14-44j, 14-49, 14-50a, 14-58 542 or 14-62a, subsection (b) of section 14-66, section 14-66a or 14-67a, 543 subsection (g) of section 14-80, subsection (f) or (i) of section 14-80h, 544 section 14-97a or 14-98, subsection (a), (b) or (d) of section 14-100a, 545 section 14-100b, 14-103a, 14-106a, 14-106c, 14-145a, 14-146, 14-152, 14-546 153, 14-161 or 14-163b, subsection (f) of section 14-164i, section 14-213b 547 or 14-219, subdivision (1) of section 14-223a, subsection (d) of section 14-548 224, section 14-240, 14-250, 14-253a, 14-261a, 14-262, 14-264, 14-266, 14-549 267a, 14-269, 14-270, 14-272b, 14-274, 14-275 or 14-275a, subsection (c) of 550 section 14-275c, section 14-276, subsection (a) or (b) of section 14-277, 551 section 14-278, 14-279 or 14-280, subsection (b), (e) or (h) of section 14-

552 283, section 14-283d, 14-283e, 14-283f, 14-283g, 14-291, 14-293b, 14-296aa, 553 14-298a, 14-300, 14-300d, 14-300f, 14-319, 14-320, 14-321, 14-325a, 14-326, 554 14-330 or 14-332a, subdivision (1), (2) or (3) of section 14-386a, section 15-15e, 15-25 or 15-33, subdivision (1) of section 15-97, subsection (a) of 555 556 section 15-115, section 16-15, 16-16, 16-44, 16-256e, 16-278 or 16a-15, 557 subsection (a) of section 16a-21, section 16a-22, subsection (a) or (b) of 558 section 16a-22h, section 16a-106, 17a-24, 17a-145, 17a-149 or 17a-152, 559 subsection (b) of section 17a-227, section 17a-465, subsection (c) of section 17a-488, section 17b-124, 17b-131, 17b-137, 19a-33, 19a-39 or 19a-560 561 87, subsection (b) of section 19a-87a, section 19a-91, 19a-102a, 19a-102b, 562 19a-105, 19a-107, 19a-113, 19a-215, 19a-216a, 19a-219, 19a-222, 19a-224, 563 19a-286, 19a-287, 19a-297, 19a-301, 19a-309, 19a-335, 19a-336, 19a-338, 19a-339, 19a-340, 19a-425, 19a-442, 19a-502, 19a-565, 20-7a, 20-14, 20-564 153a, 20-158, 20-231, 20-233, 20-249, 20-257, 20-265, 20-324e, 20-329c or 565 566 20-329g, subsection (b) of section 20-334, section 20-341l, 20-366, 20-482, 20-597, 20-608, 20-610, 20-623, 21-1, 21-38, 21-39, 21-43, 21-47, 21-48 or 567 568 21-63, subsection (d) of section 21-71, section 21-76a or 21-100, 569 subsection (c) of section 21a-2, subdivision (1) of section 21a-19, section 570 21a-20 or 21a-21, subdivision (1) of subsection (b) of section 21a-25, 571 section 21a-26, subsection (a) of section 21a-37, section 21a-46, 21a-61, 572 21a-63, 21a-70b or 21a-77, subsection (b) or (c) of section 21a-79, section 573 21a-85 or 21a-154, subdivision (1) of subsection (a) of section 21a-159, 574 section 21a-278b, subsection (c), (d) or (e) of section 21a-279a, section 575 21a-415a, 21a-421eee, 21a-421fff or 21a-421hhh, subsection (a) of section 576 21a-430, section 22-12b, 22-13, 22-14, 22-15, 22-16, 22-26g, 22-30, 22-34, 577 22-35, 22-36, 22-38, 22-39, 22-39f, 22-49, 22-54, 22-61j or 22-61l, 578 subdivision (1) of subsection (n) of section 22-61l, subsection (f) of 579 section 22-61m, subdivision (1) of subsection (f) of section 22-61m, 580 section 22-84, 22-89, 22-90, 22-96, 22-98, 22-99, 22-100 or 22-1110, 581 subsection (d) of section 22-118l, section 22-167, subsection (c) of section 582 22-277, section 22-278, 22-279, 22-280a, 22-318a, 22-320h, 22-324a or 22-326, subsection (b), subdivision (1) or (2) of subsection (e) or subsection 583 584 (g) of section 22-344, subsection (a) or (b) of section 22-344b, subsection 585 (d) of section 22-344d, section 22-344f, 22-350a, 22-354, 22-359, 22-366, 586 22-391, 22-413, 22-414, 22-415, 22-415c, 22a-66a or 22a-246, subsection (a)

587 of section 22a-250, section 22a-256g, subsection (e) of section 22a-256h, 588 section 22a-363 or 22a-381d, subsections (c) and (d) of section 22a-381e, 589 section 22a-449, 22a-450, 22a-461, 23-4b, 23-38, 23-45, 23-46 or 23-61b, 590 subsection (a) or subdivision (1) of subsection (c) of section 23-65, section 591 25-37 or 25-40, subsection (a) of section 25-43, section 25-43d, 25-135, 26-592 18, 26-19, 26-21, 26-31, 26-40, 26-40a, 26-42, 26-43, 26-49, 26-54, 26-55, 26-593 56, 26-58 or 26-59, subdivision (1) of subsection (d) of section 26-61, section 26-64, subdivision (1) of section 26-76, section 26-79, 26-87, 26-89, 594 26-91, 26-94, 26-97, 26-98, 26-104, 26-105, 26-107, 26-114a, 26-117, 595 596 subsection (b) of section 26-127, 26-128, 26-128a, 26-131, 26-132, 26-138, 597 26-139 or 26-141, subdivision (1) of section 26-186, section 26-207, 26-215, 598 26-217 or 26-224a, subdivision (1) of section 26-226, section 26-227, 26-599 230, 26-231, 26-232, 26-244, 26-257a, 26-260, 26-276, 26-280, 26-284, 26-285, 26-286, 26-287, 26-288, 26-290, 26-291a, 26-292, 26-294, 27-107, 28-13, 600 601 29-6a, 29-16, 29-17, 29-25, 29-1430, 29-143z or 29-156a, subsection (b), (d), 602 (e), (g) or (h) of section 29-161q, section 29-161v or 29-161z, subdivision (1) of section 29-198, section 29-210, 29-243 or 29-277, subsection (c) of 603 604 section 29-291c, section 29-316 or 29-318, subsection (b) of section 29-605 335a, section 29-381, 30-19f, 30-48a or 30-86a, subsection (b) of section 606 30-89, subsection (c) or (d) of section 30-117, section 31-3, 31-10, 31-11, 607 31-12, 31-13, 31-14, 31-15, 31-16, 31-18, 31-23, 31-24, 31-25, 31-32, 31-36, 31-47 or 31-48, subsection (b) of section 31-48b, section 31-51, 31-51g, 31-608 52, 31-52a, 31-53 or 31-54, subsection (a) or (c) of section 31-69, section 609 610 31-70, 31-74, 31-75, 31-76, 31-76a, 31-89b or 31-134, subsection (i) of 611 section 31-273, section 31-288, 31-348, 33-624, 33-1017, 34-13d or 34-412, 612 subdivision (1) of section 35-20, subsection (a) of section 36a-57, 613 subsection (b) of section 36a-665, section 36a-699, 36a-739, 36a-787, 38a-614 2 or 38a-140, subsection (a) or (b) of section 38a-278, section 38a-479gg, 615 38a-479rr, 38a-506, 38a-548, 38a-626, 38a-680, 38a-713, 38a-733, 38a-764, 616 38a-786, 38a-828, 38a-829, 38a-885, 42-133hh, [42-230,] 42-470 or 42-480, 617 subsection (a) or (c) of section 43-16q, section 45a-283, 45a-450, 45a-634 618 or 45a-658, subdivision (13) or (14) of section 46a-54, section 46a-59, 46a-619 81b, 46b-22, 46b-24, 46b-34, 46b-38d, 47-34a, 47-47 or 47-53, subsection 620 (i) of section 47a-21, subdivision (1) of subsection (k) of section 47a-21, 621 section 49-2a, 49-8a, 49-16, 52-143 or 52-289, subsection (j) of section 52-

362, section 53-133, 53-199, 53-212a, 53-249a, 53-252, 53-264, 53-280, 53-290a, 53-302a, 53-303e, 53-311a, 53-314, 53-321, 53-322, 53-323 or 53-331, subsection (b) of section 53-343a, section 53-344, subsection (b) or (c) of section 53-344b, subsection (b) of section 53-345a, section 53-377, 53-422 or 53-450 or subsection (i) of section 54-36a, or (2) a violation under the provisions of chapter 268, or (3) a violation of any regulation adopted in accordance with the provisions of section 12-484, 12-487 or 13b-410, or (4) a violation of any ordinance, regulation or bylaw of any town, city or borough, except violations of building codes and the health code, for which the penalty exceeds ninety dollars but does not exceed two hundred fifty dollars, unless such town, city or borough has established a payment and hearing procedure for such violation pursuant to section 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	July 1, 2026	New section			
Sec. 2	July 1, 2026	New section			
Sec. 3	July 1, 2026	New section			
Sec. 4	from passage	New section			
Sec. 5	July 1, 2025	42-230			
Sec. 6	July 1, 2025	51-164n(b)			

#### Statement of Legislative Commissioners:

In Section 2(b)(1)(A), "which" was added before "may be recorded" for clarity; in Section 3(f), "subsections (b) to (e), inclusive, of" was added before "this section" for consistency with standard drafting conventions; and in Section 5(b)(2)(B)(i)(I) and (b)(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 \$
Consumer Protection, Dept.	GF - Cost	None	83,000
State Comptroller - Fringe	GF - Cost	None	29,620
Benefits <sup>1</sup>			
Resources of the General Fund	GF - Potential	Minimal	Minimal
	Revenue Loss		

Note: GF=General Fund

#### Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
Various Municipalities	Potential	See Below	See Below
	Cost		

#### Explanation

The bill makes various changes to consumer protection statutes resulting in the impacts described below.

**Sections 1-2** make various requirements regarding total price disclosure and connected device disclosures and make violations an unfair trade practice resulting in a cost to the Department of Consumer Protection (DCP). To meet the requirements of the bill DCP will have to hire one special investigator for a salary and other expenses cost of \$83,000 in FY 27<sup>2</sup> along with an associated fringe benefit cost of \$29,620 in FY 27. The additional employee is needed to review complaints and

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<sup>&</sup>lt;sup>1</sup>The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

 $<sup>^{2}</sup>$ Costs begin in FY 27 due to the 7/1/2026 effective date of these sections.

conduct investigations for any violations of these sections.

**Sections 3 and 5** make various right to repair and price gouging regulations and make violations an unfair trade practice enforced solely by the Office of the Attorney General (OAG) resulting in no fiscal impact to the state. The OAG has the resources and expertise to meet the requirements of the bill.

**Section 4** requires municipalities to register a ".gov" internet top-level domain and redirect any existing Internet web site addresses maintained by such municipality to the new ".gov" domain. This results in a potential cost to various municipalities in FY 25 to the extent they do not have the necessary staff to transition to a .gov domain.

Currently, 116 of Connecticut's 169 municipalities do not have a ".gov" top-level domain and would need to register a new domain with such designation. There is no registration cost for entities eligible for the ".gov" designation. There is no fiscal impact to municipalities that already use a .gov domain or have the staff necessary to complete the transition to the new domain.

For towns without the resources to complete the transition, there is a federal grant program administered by the Cybersecurity and Infrastructure Security Agency within the United States Department of Homeland Security that assists with the transition process.<sup>3</sup>

**Section 6** removes a \$99 fine for price gouging violations 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 inflation, employee wage increases, and the number of violations.

<sup>3</sup>https://www.cisa.gov/state-and-local-cybersecurity-grant-program

## OLR Bill Analysis sSB 3

#### AN ACT CONCERNING CONSUMER PROTECTION AND SAFETY.

#### **SUMMARY**

This bill makes various unrelated changes to consumer protection. Specifically, it:

- 1. generally prohibits businesses that offer to sell, lease, or provide any goods or services to any individual or entity from advertising, displaying, or offering them for a price that does not include all fees, charges, and costs, excluding applicable taxes;
- requires (a) providers (e.g., cellular phone manufacturers) to prominently display and disclose certain information about the device's camera or microphone before activating the device and (b) anyone who records and transmits any personally identifying information collected through a device's camera or microphone to use reasonable security measures;
- 3. requires certain electronic or appliance manufacturers to make available, on fair and reasonable terms, products' repair manuals, functional parts, and tools (i.e. right-to-repair);
- 4. requires all municipalities, by July 1, 2027, to maintain a ".gov" Internet domain and redirect other domains they use to that website or stop using them; and
- 5. expands the price gouging prohibition in several ways, including by applying the prohibition to an item's entire chain of distribution rather than just at retail and adding a new precipitating event when the prohibition applies (i.e. the attorney general issuing an abnormal economic disruption notice).

6. EFFECTIVE DATE: July 1, 2026, except the municipal website provision is effective upon passage and the price gouging provisions are effective July 1, 2025.

#### § 1 — TOTAL PRICE DISCLOSURE

#### **Total Price Disclosure Required**

The bill prohibits businesses that offer to sell, lease, or provide any goods or services to any persons (e.g., individuals and entities) from advertising, displaying, or offering them for a price that does not include all fees, charges, and costs, excluding applicable taxes. It also prohibits businesses from requiring the persons to pay a fee, charge, or cost that is (1) not advertised, displayed, or offered to them as required by the bill, or (2) intentionally obscured, unclear, or misrepresented by the business.

#### **Exceptions**

However, the bill does not prohibit a business from omitting any applicable federal, state, or local tax, or mandatory fee imposed by governmental or quasi-governmental entities, from the advertised, displayed, or offered price for a good or service if it is disclosed to the person before they purchase, lease, or receive the good or service.

The bill also does not prohibit a business from imposing a mandatory gratuity or omitting it from any advertised or displayed price for a good or service, as long as it and the way it is calculated are clearly and conspicuously disclosed to the person before the person selects the good or service for purchase, leasing, or receipt.

Additionally, the bill does not prohibit businesses from imposing or omitting fees, charges, or other costs on the advertised or displayed price of goods or services if the additional cost:

- 1. depends on a person's selection;
- 2. cannot feasibly be calculated in full when the price is first advertised or displayed, including costs for shipping or delivery or that vary according to a person's location or the quantity or

number of goods purchased, leased, or received;

3. is a charge of up to \$1 to confirm identity or payment information, if the charge is promptly refunded;

- 4. is disclosed when the good or service is advertised or displayed to the person; or
- 5. is disclosed to the person before they purchase the good or service.

Lastly, these provisions do not apply to the following:

- 1. any transaction that is subject to the Connecticut Unfair Insurance Practices Act;
- 2. transactions or actions permitted under law as administered by a regulatory board or officer acting under statutory authority;
- 3. prohibited surcharges based on a specific payment method; and
- 4. any transaction unless it involves a person in Connecticut or the offer, sale, rent, lease, or distribution of a good or service in Connecticut.

#### Penalty

Under the bill, a violation of the total price disclosure requirement is an unfair or deceptive trade practice under the Connecticut Unfair Trade Practices Act (CUTPA, see BACKGROUND).

### § 2 — CONNECTED DEVICE'S DISCLOSURES, STATEMENT, AND PROHIBITIONS

The bill establishes requirements for certain entities that provide, or collect information from, an Internet-connected device's camera or microphone (e.g., that of a cellular telephone, computer, home appliance, motor vehicle, tablet, television, toy, or video game console). It specifies information they must disclose to consumers and measures they must take to protect personally identifiable information. It also prohibits, among other things, requiring providers to build features that

allow law enforcement to monitor communications through the camera or microphone.

The bill makes certain violations of its requirements or prohibitions CUTPA violations.

#### Required Disclaimer and Statement

The bill requires providers to prominently display a (1) disclaimer when the initial consumer or someone on their behalf first sets up the device and (2) statement with certain disclosures. It also requires providers to give the initial consumer or the designated person, when first installing or setting up the connected device, the ability to decline to activate the camera or microphone.

A "provider" is (1) a manufacturer of Internet-connected devices or (2) any person who contracts with a manufacturer and receives access to certain items in any Internet-connected device the manufacturer manufactures. Specifically, these items are any camera or microphone or image, video, spoken word, or other sound collected, recorded, stored, analyzed, interpreted, or transmitted by the camera or microphone.

The disclaimer must state the following: "This device transmits audio and/or video back to the manufacturer and/or a third party and may be recorded."

The statement must disclose the following:

- 1. that the device includes a camera or microphone that will be enabled or turned on and might record the initial consumer;
- 2. that the device's manufacturer or another provider might retain the initial consumer's recordings;
- 3. which command or action activates or enables the camera or microphone;
- 4. the categories of images, videos, or sounds that (a) the camera or

microphone will look for, listen for, or record or (b) might be disclosed to any person other than the initial consumer;

- 5. the categories of individuals and entities to whom disclosures may be allowed; and
- 6. that the initial consumer must not be discriminated against if he or she declines to activate a camera or unless (a) the device is provided to the consumer as a condition of employment or (b) declining to activate the camera or microphone would make the device useless.

#### Personally Identifying Information

The bill requires providers to use and maintain reasonable security measures to protect any personally identifying information collected through an Internet-connected device's camera or microphone from any unauthorized access, acquisition, destruction, disclosure, modification, or use.

Under the bill, "personally identifying information" is an individual's birthday, mother's maiden name, driver's license number, Social Security number, health insurance identification number, financial account number, security code or personal identification number, or government-issued identification number that is not otherwise made directly available to the public.

Existing law similarly requires anyone who possesses another person's personal information to safeguard it from misuse by third parties. Willful violators may be subject to civil penalties of \$500 for each violation, up to \$500,000 for any single event (CGS § 42-471).

#### **Prohibitions and Limitations**

The bill prohibits providers from:

 using or selling any recordings collected through a connected device's camera or microphone for targeted advertising (i.e. displaying specific advertisements to a consumer based on

personal data obtained or inferred from their activities); and

2. being required to build specific features to allow a law enforcement agency or officer to monitor communications through a connected device's camera or microphone.

The bill also specifies that it does not:

- 1. impose any liability on a provider for any application functions that an initial consumer (a) downloads and installs or (b) chooses to use on a network of remote servers hosted on the Internet to store, manage, and process data;
- 2. authorize disclosure of any recording retained by a provider to another person, including a law enforcement agency or officer, unless another law or a court order authorizes it; or
- 3. modify, limit, or supersede any other privacy or security law.

#### **CUTPA**

The bill makes a violation of the provisions on providing a disclosure and statement, implementing and maintaining reasonable security measures, and prohibiting the use or sales of recordings CUTPA violations (see BACKGROUND).

#### § 3 — RIGHT-TO-REPAIR

The bill requires electronic or appliance product manufacturers to make available certain resources needed to diagnose, maintain, or repair their products. Under it, manufacturers must make these resources available on fair and reasonable terms (see below) to the product's owners, service and repair facilities, and service dealers (i.e. anyone, other than an authorized repair provider or manufacturer, in the business of installing, maintaining, repairing, or servicing any electronic or appliance product for pay).

The bill's requirements apply to certain electronic or appliance products that are first manufactured, sold, or used in Connecticut on or after July 1, 2026 ("products"). For these products, the manufacturer

must make the following resources available if it makes them available to an "authorized repair provider" (see below):

- 1. documentation (e.g., product diagrams, manuals, reporting outputs, schematics, service code descriptions, or similar information);
- 2. functional parts (e.g., new or used replacement components); and
- 3. tools (e.g., hardware, software, or other apparatus to calibrate or repair a product, including updates).

The bill requires each manufacturer to make these resources available for different lengths of time, depending on the product's wholesale price to a retailer (or in any sale other than a direct sale). They must provide these resources as follows:

- 1. for at least three years after the last date it manufactured the product's model or type if the product's wholesale price is between \$50 and \$99.99 and
- 2. for at least five years afterward if the product's wholesale price is at least \$100.

The bill specifies that (1) the wholesale price described above must not exceed the manufacturer's suggested retail price for the product and (2) these time periods apply even if they exceed the product's warranty periods.

Under the bill, an "authorized repair provider" means a person (i.e. individual or entity) who is unaffiliated with a manufacturer and has an arrangement under which the:

- manufacturer grants the person a license to use a trade name, service mark, or other proprietary identifier to offer diagnostic, maintenance, or repair services for products under the manufacturer's name or
- 2. person offers diagnostic, maintenance, or repair services for

products on the manufacturer's behalf.

An authorized repair provider includes a manufacturer for its own electronic or appliance products, if the manufacturer (1) offers diagnostic, maintenance, or repair services for the product and (2) does not have an arrangement with an unaffiliated person to provide these services.

A "product" includes any antenna, electronic set, major home appliance (e.g., dishwasher, microwave, or air conditioner), or rotator that is sold through any method other than a direct retail sale. It does not include any alarm system; motor vehicle or any component used to maintain, manufacture, or repair one; or video game console.

An "electronic set" includes any audio or video recorder or playback equipment, computer system, fax machine, photocopier, radio, television, video camera, or video monitor that is normally used or sold for personal, family, household, or home office use. A "rotator" includes an electromechanical device, used in an antenna installation or repair, that is operated from a remote location to rotate an antenna on a horizontal plane.

#### Fair and Reasonable Terms

Under the bill, the product manufacturer must make the required resources available on fair and reasonable terms, meaning at costs and on terms that are equal to the most favorable costs and terms it offers to authorized repair providers, accounting for any incentives or preferences (e.g., discounts, rebates, convenient and timely means of delivery, means of enabling fully restored and updated functionality, or rights of use) it offers the provider.

Additionally, the manufacturer must provide for free (1) documentation, including any relevant updates, and (2) tools, without imposing any barriers to accessing or using them in an efficient and cost-effective way. The manufacturer may, however, charge for its reasonable, actual costs to prepare and send physical versions of the tools and documentation, if requested.

If a manufacturer does not use an authorized repair provider, the bill instead requires it to make these resources available at a price that reflects the actual costs it incurred to prepare and deliver the resources, excluding any research and development costs.

## Disclosure by Dealers or Services That Are Not Authorized Repairers

Under the bill, service dealers or service and repair facilities that are not authorized repair providers for a manufacturer must, before repairing a product, give the customer written notice disclosing:

- 1. that the dealer or facility is not an authorized repair provider for the product and
- 2. whether the dealer or facility uses any (a) used replacement parts or (b) replacement parts provided by a supplier other than the product manufacturer.

#### Liability

Under the bill, a manufacturer or authorized repair provider is generally not liable for any damage or injury caused to any electronic or appliance product, person, or property due to a diagnosis, maintenance, modification, or repair an owner or service dealer performs. This includes any (1) indirect, incidental, special, or consequential damages; (2) loss of data, privacy, or profits; or (3) inability to use, or reduced functionality of, the product.

However, this does not apply to any design defect or manufacturing flaw that existed before, or independent of, any of the actions listed above.

#### **Obligations**

The bill specifies that its right-to-repair provisions do not require an electronic or appliance product manufacturer to do the following:

1. disclose any trade secret or license any intellectual property, including any copyright or patent, unless the disclosure or

license is needed to comply with these provisions;

2. make available any special documentation, tools, or parts that would disable or override antitheft security measures the owner sets on any product without the owner's authorization;

- 3. sell any part if the manufacturer no longer (a) provides the part or (b) makes the part available to authorized repair providers; or
- 4. allow distribution of the source code for an electronic or appliance product.

Under existing law and the bill, a "trade secret" is information, including a formula, pattern, compilation, program, device, method, technique, process, drawing, cost data, or customer list that (1) derives actual or potential independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other individuals who can get economic value from its disclosure or use and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy (CGS § 35-51).

The bill also does not require a covered manufacturer that is also an authorized repair provider to make any documentation or tools available that:

- 1. it exclusively uses to perform free diagnostic services for customers remotely (e.g., using the Internet, email, telephone, or a chat function), unless the manufacturer also makes them available to any unaffiliated person, or
- are exclusively used by machines that simultaneously repair several electronic or appliance products, as long as the manufacturer makes available alternative documentation and tools that are sufficient to diagnose, maintain, or repair the product.

The right-to-repair provisions also do not apply to a manufacturer if it gives its customers a free replacement product that is readily available

and equivalent to, or better than, the replaced product. It also does not apply to any dealer, distributor, importer, or manufacturer of any equipment designed and manufactured exclusively for off-road or non-road use, including any:

- 1. all-terrain sports, marine, racing, or recreational vehicle;
- 2. construction or compact construction equipment;
- 3. electric vehicle charging infrastructure equipment;
- 4. farm or utility tractor;
- 5. farm implement or farm machinery;
- 6. forestry, industrial, mining, outdoor power, garden, turf, or yard equipment;
- 7. fuel cell, generator set, or portable generator;
- 8. integrated, stand-alone, mobile, or stationary internal combustion engine;
- 9. power tool; or
- 10. road building or utility equipment.

#### Penalty

The bill deems a right-to-repair violation a CUTPA violation enforceable solely by the attorney general, but specifies CUTPA's provisions for a private right of action, class actions, equitable relief, and jury trials do not apply to these violations (see BACKGROUND).

#### § 4 — MUNICIPAL INTERNET WEBSITES

The bill requires all municipalities, by July 1, 2027, to maintain a .gov Internet domain and register it with the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency. Municipalities (i.e. cities and towns) must redirect any other domains they use to the .gov domain or stop using them. The bill's requirements

apply regardless of any municipal charter, special act, or home rule ordinance requiring otherwise.

#### §§ 5 & 6 — PRICE GOUGING

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 by applying the prohibition 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. He may do so 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 of the notice by a bipartisan majority vote.

#### 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:

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
- 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 the location of the disaster or emergency, 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 the:

- 1. date the attorney general issued it;
- 2. anticipated end date of the abnormal economic disruption period;
- 3. conditions that have caused, or are substantially likely to have caused, the disruption;
- 4. consumer necessity, consumer necessities, or categories of them affected by the disruption and subject to the price gouging prohibition; and
- 5. 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, the attorney general must issue a notice that includes the information the bill requires for a 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 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:

- 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 considered a 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 (§ 6).

#### **BACKGROUND**

#### **CUTPA**

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the consumer protection commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, impose civil penalties of up to \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to \$5,000 for willful violations and up to \$25,000 for a restraining order violation.

#### Related Bills

SB 1248 (File 330), favorably reported by the General Law Committee, has the same total price disclosure provision.

SB 1189 (File 28), favorably reported by the Planning and Development Committee, has the same municipal website provision.

sHB 6856 (File 347), favorably reported by the General Law Committee, has the same price gouging provisions.

#### **COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute Yea 14 Nay 7 (03/21/2025)