

General Law Committee JOINT FAVORABLE REPORT

Bill No.: HB-5571

AN ACT ESTABLISHING A MAXIMUM RESTOCKING FEE FOR RETURNED

Title: CONSUMER GOODS.

Vote Date: 3/12/2025

Vote Action: Joint Favorable Substitute (LCO 6211)

PH Date: 2/19/2025

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

General Law Committee

Co-sponsor: Rep. Joseph H. Zullo, 99th Dist.

REASONS FOR BILL:

Proposed Substitute Bill 5571 (LCO No. 6211) mirrors the original committee bill in that it intends to protect consumers from having to pay unreasonably high restocking fees when they return a product they have purchased. Per the Department of Consumer Protection's suggestion, the substitute language implements a "hard cap" of five percent of the purchase price.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Bryan T. Cafferelli, Commissioner, Department of Consumer Protection \(DCP\)](#)

expressed concern regarding the challenge of determining whether restocking fee policies have been violated. In order to assist with enforcement, DCP recommends amending the original language to include a "hard cap." A delay in implementation was suggested to allow for education of businesses and consumers.

NATURE AND SOURCES OF SUPPORT:

None expressed.

GENERAL COMMENTS:

[Francis Palasieski, Director of Government Affairs, Northeastern Retail Lumber Association on behalf of Lumber Dealers Association of Connecticut \(LDAC\)](#) expresses

concerns regarding the challenges that retailers in their industry would have in the process of tracking inventory and returning materials to suppliers. LDAC members are required to pay costs to suppliers that they must pass on to consumers.

NATURE AND SOURCES OF OPPOSITION:

[Tim Phelan, President, Connecticut Retail Network \(CRN\)](#) opposes the bill, as they believe the current return policy disclosure provides adequate consumer protection and does not require adjustment. CRN expressed concerns regarding the financial impact on retailers and supports the ability of retailers to set their own return policies.

Reported by: Elizabeth Aheart

Date: 3/17/2025