

General Law Committee JOINT FAVORABLE REPORT

Bill No.: HB-6856

AN ACT CONCERNING THE ATTORNEY GENERAL'S RECOMMENDATIONS
REGARDING ABNORMAL ECONOMIC DISRUPTIONS, PRECIPITATING

Title: EVENTS AND CONSUMER PRODUCT DISCLOSURES.

Vote Date: 3/12/2025

Vote Action: Joint Favorable Substitute (LCO No. 6238)

PH Date: 2/10/2025

File No.:

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SPONSORS OF BILL:

General Law Committee (per request from the Office of the Attorney General)
Sen. Saud Anwar, 3rd Dist.

REASONS FOR BILL:

Overall, the legislation's intent is to increase the State of Connecticut's ability to address consumers' concerns about rising prices of goods and services. Proposed Substitute Bill No. 6856 (LCO No. 6238) strikes the disclosure requirements surrounding "shrinkflation" (a change in package sizing while keeping prices the same) from Section 1 of the raised bill. In response to concerns raised regarding (1) the definition of "shrinkflation" and (2) enforceability of the raised bill's disclosure requirements, the proposed substitute instead requires the University of Connecticut to study shrinkflation and issue a report by October 1, 2025.

Sections 2 and 3 are consistent with the raised bill in that they expand the Attorney General's authority to investigate and take action regarding price gouging. The proposed substitute responds to multiple stakeholders' concerns by adding checks on the Attorney General's authority.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Attorney General William Tong](#) testified that HB 6856 is needed in order to protect Connecticut consumers from price gouging and add disclosure requirements around shrinkflation.

Section 1: Attorney General Tong notes that companies are not currently required to advertise changes in package size, so consumers can sometimes feel deceived. He argues

that these new requirements will prevent consumers from feeling like they are receiving less value for their money. In response to feedback his office received from various stakeholders, Attorney General Tong requests an amendment to section 1 that would clarify that the disclosure requirements do not apply to restaurants or other retailers that “primarily sell food to the public for consumption.”

Sections 2 and 3: Attorney General Tong writes that Sections 2 and 3 are a response to dozens of requests for his office to investigate price gouging. He explains that this legislation would strengthen the state’s price gouging statutes so that his office could take action in a broader set of circumstances—not just when an emergency is declared by the President or Governor. Attorney General Tong argues that changing the legal standard for price gouging to “unconscionably excessive” increases in price allows his office to be fair in enforcing the law. In addition, the bill would fix a loophole in the current statute by allowing the Office of the Attorney General to bring actions against suppliers as well as retailers.

[Commissioner Bryan Cafferelli, Department of Consumer Protection \(DCP\)](#) provides written testimony in support of HB 6856 because the bill would help protect consumers and improve market transparency. They request that the language in Section 1(b) be amended so that the Commissioner of Consumer Protection and Attorney General share enforcement authority. That change would be consistent with other applications of the Connecticut Unfair and Deceptive Trade Practices Act (CUTPA).

NATURE AND SOURCES OF SUPPORT:

None expressed.

GENERAL COMMENTS:

[Tim Phelan, President, Connecticut Retail Network](#) submitted written comments that acknowledge the importance of protecting consumers, and they urge the committee to preserve retailers’ ability to legitimately increase prices. They agree that bad actors should be held accountable, and they hope to continue to work with the committee to protect both businesses and consumers.

NATURE AND SOURCES OF OPPOSITION:

[David Donnell, Associate Director-Northeast Region, American Petroleum Institute](#) offers testimony in opposition to section 2 of HB 6856. While API notes that there may be reason to amend existing price gouging laws regarding other necessities, they argue that sales of petroleum fuel should be exempt from further legislation. They explain that existing statute already prohibits the sale of petroleum fuel at an “unconscionably excessive” price. In addition, they cite the constant fluctuation in prices of petroleum products as a challenge in determining the “normal” price level of gasoline.

[Chris Herb, President, Connecticut Energy Marketers Association \(CEMA\)](#) opposes HB 6856 largely due to concerns regarding undefined language, such as “unconscionably excessive” and “grossly disproportionate.” CEMA argues that PA 10-176 provides clear parameters for price gouging and is therefore fairer to businesses and consumers. They raise additional concerns with the statute’s expansion of the Attorney General’s power. The

proposed substitute language addresses the latter concern by adding checks and balances to Sections 2 and 3.

Wayne Pesce, President on behalf of Connecticut Food Association (CFA) notes that while CFA condemns price gouging, they strongly oppose HB 6856 because it would interfere with the ability of businesses to adapt to economic realities. They characterize the expansion of the Attorney General's authority as "unprecedented government overreach." CFA also argues that it is not appropriate to regulate changes in packaging size under the same statutes as price gouging. In addition, CFA raises concerns regarding the costs and complexity of compliance with proposed changes. They note that HB 6856 would interfere with the "self-regulating" nature of retail marketplaces. The proposed substitute language addresses these concerns by changing the shrinkflation disclosure requirements into a study and by adding checks and balances to Sections 2 and 3.

Ron Tateosian, Chief Operating Officer, Aldin Associates & Savin Brands offers testimony in opposition to HB 6856. He writes that he takes seriously his responsibility to set prices at his 19 retail gas and diesel locations, and he notes that large LED signs clearly disclose prices to consumers. He raises concerns with undefined language like "unconscionably excessive" and "grossly disproportionate" and argues that current standards are clear. He believes that the power to declare an emergency should rest with the Governor.

Victoria Verderame, Director of Public Policy and Communications, Greater New Haven and Quinnipiac Chamber of Commerce testified that the aforementioned organizations oppose HB 6856 because it would have significant negative economic impact on member businesses. Her testimony cites increased compliance costs and reduced profitability. She argues that small retailers will be most impacted by compliance costs, and they could decide to withdraw from the Connecticut market.

Reported by: Betsy Francolino

Date: 3/14/2025