

General Law Committee JOINT FAVORABLE REPORT

Bill No.: SB-1357

AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S
RECOMMENDATIONS REGARDING VARIOUS STATUTES CONCERNING

Title: CONSUMER PROTECTION.

Vote Date: 3/24/2025

Vote Action: Joint Favorable Substitute (LCO 6564)

PH Date: 2/26/2025

File No.:

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SPONSORS OF BILL:

General Law Committee per request of the Department of Consumer Protection

REASONS FOR BILL:

This legislation is an omnibus bill intended to improve protections for Connecticut's consumers. The Department of Consumer Protection (DCP) requested that the General Law Committee raise this bill in order modernize current regulations, improve enforcement capability of DCP, update industry standards, standardize business practices, streamline regulations and update protections to help consumers and businesses. Commissioner Bryan Cafferelli submitted detailed [written testimony](#) outlining the sections of this bill and why it is necessary.

SUBSTITUTE LANGUAGE:

Upon consultation with various stakeholders, it was determined that it was best to strike the new language about certified public accountants (CPAs). The section about stop work orders was revised to specify that appeals or petitions must only be directed to the Commissioner of Consumer Protection (and not their designee.) The substitute language includes other assorted technical edits and clarifications, including moving some language about motor vehicle sales to a new section.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Bryan Cafferelli, Commissioner, Department of Consumer Protection](#) testified in support and explained each section of the original raised bill and why it is needed.

Sections 1-7, 9, 11, and 17 through 21 are needed to update licensing statutes for various professions, including accountants, architects, real estate agents, building trades, contractors, and those who conduct "Closing Out" sales.

Sections 10, 26, and 27-30 are intended to improve DCP's investigation and enforcement activities so the department can better protect the public. Changes include updates to food safety enforcement statutes and allowing DCP to issue stop work orders at locations where certain violations are being committed. Updates also clarify that DCP is permitted to inspect documents.

Sections 8, 12-13, and 31-34 relate to DCP's management of guaranty funds, which are used to help consumers who are adversely impacted by a problem transaction. The changes allow the Commissioner to approve applications for the real estate guaranty fund, and they increase the Attorney General's authority to take action against fraudulent home contractors. There are other assorted updates to protections regarding health clubs.

Other sections make various updates to better protect Connecticut's consumers. They include modernizations to community association manager statutes, increased protections for mobile home park residents, guidelines regarding "reverse ATMs," updates to motor vehicle "lemon laws," and other changes.

NATURE AND SOURCES OF SUPPORT:

[Justin Kelley, Governmental Affairs Director, International Union of Painters and Allied Trades, District Council 11](#) supports this legislation, specifically section 10(b) of the raised bill, allowing DCP to issue stop work orders due to license violations. His organization urges the committee to pass the bill because it will prevent unlicensed contractors from putting law-abiding and licensed contractors out of work.

[John Erlingheuser, Senior Advocacy Director, AARP CT](#) supports Sections 22, 39 and 44 of the raised bill, which update provisions about mobile manufactured homes, cancellation rights and disclosure requirements for home solicitation sales, and contracts with automatic renewals. He affirms that AARP CT believes these changes will all improve consumer protections. (Mr. Erlingheuser notes that AARP CT remains neutral on all other sections of the bill.)

[Rachel Baird, Attorney](#) supports Raised Bill 1357 because it will curtail dishonest self-dealing by property managers. Without the increase in oversight and enforcement, she is concerned that bad actors and dishonesty will only continue to hurt consumers.

[Kimberly Glassman, Director, Foundation for Fair Contracting of CT \(FFC\)](#) supports this legislation. Specifically, FFC supports 10(b) of the raised bill and its proposal to allow DCP to issue a Stop Work Order (SWO) for licensing violations. She notes that the Department of Labor (DOL) and DCP have already been working together to perform site inspections, and this collaboration has helped recoup wages, protect apprenticeship standards, and ensure safe working conditions. FFC maintains that issuing SWOs will help push unlicensed contractors into compliance and continue the work that has already begun to help workers and consumers.

[Bill Finch, Director, Connecticut Labor Management Cooperation Committee](#) supports this bill due to seeing the implications of electrical work completed by an unlicensed electrician. Mr. Finch maintains that bad actors endanger the contractor themselves as well as the public. Therefore, increasing cooperation will mitigate the negative impacts of unlicensed contractors and improve public safety.

NATURE AND SOURCES OF OPPOSITION:

[Jim Perras, CEO, Home Builders and Remodelers Association of CT](#) opposes the raise bill and recommends that the original language be amended to strike Section 13 because of the effect it may have on individual construction company owners. He thinks this language will generate fear of personal financial consequences and lengthy legal battles due to the determinations of DCP. This fear may decrease the willingness of these same companies to partake in housing production.

[Bonnie Stewart, CEO, Connecticut Society of CPAs \(CTCPA\)](#) raises concerns about Section 1 of the raised bill and opposes Section 2. CTCPA argues that the proposed changes would create greater confusion and that they are misaligned with CT's Peer Review and firm permit statutes. Ms. Stewart cites the shift of regulatory oversight of CPAs from the Board of Accountancy to the Department of Consumer Protection as weakening supervision of CPA licensing. CTCPA believes that the system presently in place has upheld the integrity of CPA licensing and that the proposed shift will only add uncertainty to the process.

[Josiah Schlee, Cannawarriors](#) opposes this bill for personal reasons.

GENERAL COMMENTS:

[Connecticut Hospital Association](#) made comments about Sections 36 and 37 of the raised bill. While CHA is in favor of the changes in Section 36 that allow for "reverse ATMs," they request various clarifications to that language. They oppose Section 37 of the raised bill, citing the need for due process and constitutional controls related to DCP licensing actions.

[Francis Pickering, Executive Director, Western CT Council of Governments](#) stated that many of the proposed changes in this bill will streamline operations. Yet, he expressed concerns that expanding liability for new home construction along with stricter licensing and apprenticeship requirements may have a negative effect on housing costs. If these proposals have an impact on housing costs, they urge the committee to explore potential solutions.

[Connecticut Auto Retailers Association](#) commented on the implications of Sections 37 and 38 of the raised bill, which require additional disclosure of fees associated with car sales. They request clarity regarding how current regulations and the proposed ones will work together.

Reported by: Nicole Chambrello

Date: March 27, 2025