

Legislative History for Connecticut Act

Act Number: 07-194
Bill Number: 1311
Senate Pages: 5084-5112, 5194-5205, 5246-5248 **44**
House Pages: 8851-8866 **16**
Committee: GAE: 496-503, 550-556, 594, 596-597, 599-604, 611-620, 622-623, 693-698, 705-717, 722, 724 **57**

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Senate

June 2, 2007

Senator Looney.

SEN. LOONEY:

Yes, thank you, Mr. President. I would like to move that the bill as amended be placed on the Foot of the Calendar.

THE CHAIR:

Hearing and seeing no objections, so ordered.

Mr. Clerk.

THE CLERK:

Calendar Page 16, Calendar 407, File 513, a substitute for Senate Bill 1311, An Act Concerning the Integrity and Security of the Voting Process, Favorable Report of the Committee on Government Administration and Elections, Appropriations, and Planning and Development.

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

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Yes, thank you, Mr. President. I appreciate your indulgence there. I move the Joint Committee's Favorable Report and move passage of the bill.

THE CHAIR:

Acting on approval of the bill, Ma'am, will you remark further?

SEN. SLOSSBERG:

Yes, this bill is in regard to the integrity and security of the voting process, as well as contains a number of technical amendments to deal with our election's process. The Clerk has in his possession LCO 8612, and I would ask that he call and seek leave to summarize.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 8612, which will be designated Senate Amendment Schedule "A" is offered by Senator Slossberg of the 14th District.

THE CHAIR:

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Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. The amendment that is set before you is--

THE CHAIR:

Will you move adoption, Ma'am.

SEN. SLOSSBERG:

Oh, I move adoption. Thank you, Mr. President. I'm sorry.

THE CHAIR:

No problem.

SEN. SLOSSBERG:

The amendment that is before you sets forth the State of Connecticut audit procedures for electronic voting machines. It requires that the voting districts subject to the audit be selected in a random fashion by the Secretary of State for a state or federal year, and by the Town Clerk for a municipal year or primary.

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The audit procedures before us are very important. We have new machinery, the optical scan machines, to deal with our elections. We want to ensure the public that they have integrity, there is security, and there are no problems with the way that the machines are working.

The audit will be a full hand count of the ballots cast in the election. The results will be analyzed by UConn, and a candidate can use the audit results in a court action, as proof of errors, if necessary.

The audit allows for no discretion with regard to follow up, if there are problems with the machines. It requires the Secretary of State to conduct further investigation, if the margin of error between the hand count and the machine count is greater than 1/2 of 1%.

At that point, the Secretary of State would be required to order a full hand count of the entire race in question.

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Sections 2, 3, 4, and 5 all extend the time that a candidate can file a court challenge after all of the audits are complete.

Section 6 allows for federal funds, Help America Vote Act funds, to be used to pay for audits so that the municipalities will not have to pick up those costs.

Section 7 allows the Secretary of State to partner with UConn to ensure the integrity and the security of our voting machines.

Section 8 allows the Secretary of State to collect voter registration information from the centralized voter registration system.

Section 9 establishes a system of polling place observers that would be appointed by the Secretary of State. This observer must complete a training course and will be assigned a polling place by the Secretary of State. They will observe only and report to the Secretary of State any irregularities through the day.

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Section 10 requires Town Clerks to pay a late filing fee of \$50 if they fail to return their nominating petitions back to the Secretary of State in a timely manner.

Section 11 requires that all Registrars of Voters who use the centralized voter registration system to keep track of voters who have voted in each election so after each election there is update.

As you can see, there are a lot of technical provisions dealing with the changes we've made with centralized voter registration system, as well as the new optical scans.

Section 12 requires that all minor parties file their Certification of Endorsements for State Representative and State Senator with the Secretary of State. This standardizes the filing so it is the same date for minor parties as major parties.

Section 13 and 14 both require that a candidate file or a minor party file nominating petitions earlier in the process, before the state primary, so

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that people are aware of who is running in the primary and who will be running in the general. That is consistent with the standards that we had several years ago, before we changed primary dates.

Section 15 requires a party to fill a vacancy earlier in the process, 21 days before the election instead of the current 7 days, and that allows for the turnaround time for printing the new paper ballots.

Section 16 allows the Secretary of State to publish Public Acts in more than one volume. Section 17 fixes a problem that exists now for public notice of endorsements for political parties in a state election year.

Section 18 allows an already existing minor party to cross endorse a candidate by petition. Sections 19 through 24 make a variety of corrections to the General Statutes to comply with the use of the new optical scan voting machines.

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Section 40 requires that any voting machine used in an election or primary comply with the 2002 voting system standards adopted by the federal government.

Section 43 defines a bona fide resident to be when an individual's house is actually located in the boundaries of the town in which he is attempting to register.

Section 44 requires the Registrar of Voters to contact, by mail or telephone, someone who misses the mail-in registration deadline to inform them of their opportunity to register in person by 7 days before the election.

Section 45 precludes an individual who is transferring from one party to another from participating in the new party's caucus or primary or from participating in the appointment of a member to a board from being appointed as a member of a board in the new party. It institutes the same waiting period for appointment to a board as it does for participation in a primary caucus.

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Section 46 requires a minor party to publish notice of their endorsement meeting in newspapers, which is the same rule for a major party, as well as Section 47, which requires that minor parties file updated party rules, the same as major parties.

Section 48 eliminates the coin flip to address a tie vote and requires that a tie vote at a primary be settled by an adjourned primary, as opposed to a coin flip. Mr. President, I would ask that there be a roll call vote on the amendment.

THE CHAIR:

A roll call vote will be ordered. Will you remark? Senator DeBicella.

SEN. DEBICELLA:

Thank you, Mr. President. I have a couple of questions on the bill, through you, to my friend, Senator Slossberg.

THE CHAIR:

Senator Slossberg.

SEN. DEBICELLA:

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Mr. President, through you, a couple questions on these. Starting off with Section 1 and the audit, and this is a long bill, Mr. President. I didn't think we'd have another long one like the Energy Bill today, but we do.

Section 1 on the audit, my question, through you, Mr. President, is what is the perceived need for this, given the fact that we've had, in previous debates, statements that voter fraud is not a large problem, when we were talking about the issue of same-day registration?

What is the underlying need for an audit? Have we seen elections where this is necessary? Secondly, Mr. President, are there any other states who currently do this, through you?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

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Thank you. Through you, Mr. President, the need for the audit is reflected in the fact that we have new optical scan machines.

It's a new technology, and it's the public trust associated with elections and new machinery, as opposed to the old lever machines, which we were used to, but now we're not able to use as a result of the change in the federal laws.

THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

Thank you, Mr. President. I thank the Senator for her answer. Through you, do any other states currently use this who do use optical scanners, through you, Mr. President?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

To my knowledge, I believe there are other states that have audit procedures. The federal government is

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currently considering an audit procedure. However, our audit procedures will be the most stringent in the country, if adopted.

THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

Mr. President, through you, does this then mean that this is a mandate upon the towns that every town must do this? The way I'm reading the bill is it's 10% of all ballots cast. Is it a random selection?

My purpose for the question, Mr. President, through you, is I want to make sure that we're not putting something that's too onerous on the Registrars of Voters that is a mandate that might not be necessary. I'm trying to just gauge the stringency of this, through you, Mr. President.

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

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Thank you, Mr. President. If you look at the bill, it says it's a 10%, not less than 10% of all voting districts. It's not every municipality. It's now 10% of all votes cast.

THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

Thank you, Mr. President. If it's 10% of all voting districts, does that mean 10% within each town, or does that mean the Secretary of State will just pick 10% of the districts out of a hat? How will those be determined?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. Through you, no. There will be a random selection process of all of the voting districts in the state.

THE CHAIR:

Senator Debicella.

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SEN. DEBICELLA:

Thank you, Mr. President. Questions on some of the other sections of the bill, and I'll skip around a little bit.

Skipping down to Sections 12, 13, and 14, these change certain dates for minor parties from the 55th to the 62nd day, it looks like, for filing your signatures as a minor party candidate and the 98th day for filing the petition.

Through you, Mr. President, I just want to fully understand these sections. Why are we changing these dates, and what would be the practical effect on our electoral process, through you?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. Through you, a number of years ago we changed our primary dates in this state. At that time, it was overlooked that we did not change the corresponding petition date. All this

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does is make this consistent with what the law had always been previously.

THE CHAIR:

Senator DeBicella.

SEN. DEBICELLA:

Thank you, Mr. President. Through you, let me ask you about a very specific case that we've experienced in just the past year.

We obviously had a very exciting U.S. Senate race in Connecticut, where we had three parties running, and the Independent candidate eventually won.

Would changing these dates in any way impact the ability of a major party candidate to then decide to run as an Independent, or would that person run out of time before a major party primary would actually be able to run as an Independent candidate, through you, Mr. President?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

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Thank you, Mr. President. No, this wouldn't affect their ability to run whatsoever. It's purely notice.

THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

Thank you, Mr. President. In that case, would the, I'll take a very specific example, again using Joe Lieberman. Would this cause Joe Lieberman to be forced to announce himself as an Independent candidate before the Democratic primary actually were to happen, if this were in place 12 months ago, through you, Mr. President?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. No, this would not force him to declare himself as an Independent. However, petitions would have to be filed in advance so there would be notice.

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It would be very clear if a candidate were not successful in the primary as to whether they would be running in the general, presumably under another party at that time.

THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

Thank you, Mr. President. Just to clarify legislative intent, then the intent of this is to ensure that any Independent candidate who is running has to put in their petitions to be an Independent candidate before the major party primaries happen, so everybody would know that they were running as an Independent, through you, Mr. President.

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Yes. That's consistent with our prior law. Again, all we're doing is moving the dates consistently to what it was before.

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THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

Excellent. Thank you, Mr. President. Mr. President, a couple of questions on some of the other sections of the bill. There is a lot of technical language in here I'm looking at. Section 23 is one that confused me a little bit.

I really haven't looked at this bill in detail before, so forgive me for asking these questions. In Section 23 it says for municipalities from one voting district, the district, if Senator Slossberg can see exactly where I'm reading from, it says that there is one moderator, at least one, but not more than two official checkers.

This entire section, I'm not quite sure what the intent of it is, in reading the specific language of it. It wasn't clear to me what Section 23 is trying to do. I don't think she mentioned that in her discussion before, through you, Mr. President.

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THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. Actually, what Section 23 does is clarify the language that the Registrars have voted that voters wanted the people who are at the polling places to be called, as opposed to the language that existed before.

For example, what used to be a voting machine mechanic is now a voting tabulator technician. With regard to there being a vote, let's see, there's a voting machine tender. He's now being called a ballot clerk.

If you follow that through the language, that is what it does. It updates it to deal with the fact that we now have new optical scan machines as opposed to our lever machines.

THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

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Thank you, Mr. President. Those are all the questions I have for now for Senator Slossberg, and I thank her for her answers to that.

THE CHAIR:

Thank you Senator Slossberg. Senator Debicella.

SEN. DEBICELLA:

I'd like to now yield, if I could, to my friend, Senator Freeman.

THE CHAIR:

Senator Freeman, do you accept the yield?

SEN. FREEDMAN:

Yes, Mr. President.

THE CHAIR:

Please proceed.

SEN. FREEDMAN:

Thank you. Again, through you, to Senator Slossberg, I'd like to go back.

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

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I'm sorry, Mr. President, if Senator Freedman wouldn't mind repeating her question.

SEN. FREEDMAN:

I hadn't gotten it finished. I realized you were in a conversation there. I was going to ask you if you could please explain to me Section 12 about the minor parties nominating candidates and exactly what that means. What changes are being made?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Yes. Thank you, Mr. President. Section 12 requires that minor parties file their certifications of endorsement with the Secretary of State on the 62nd day prior to the day of election, as opposed to the 55th.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

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Yes. Thank you, Mr. President, and through you, would that be the same as the major parties, when they have to do their filings?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Yes, it is.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

Moving over to Section 14, and I know my friend, Senator, you said they would ask some questions about this.

The nominating petition for an Independent candidate, if that process is put into place as it's written in this particular amendment, what would happen after the nominating conventions or after a primary?

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Would that candidate be able to go forward and have a primary still or not, through you, Mr.

President?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

If I understand your question correctly, yes. This doesn't prevent anybody from running, through you.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

Through you, Mr. President, if I were a Republican and I were going to challenge it, be challenged or challenge in a primary, and I also at the same time filed for an Independent candidacy, what impact, through you, Mr. President, would this have on my party relationships?

THE CHAIR:

Senator Slossberg.

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SEN. SLOSSBERG:

Well, if the question is would you still be able to run, the answer is yes, you would be. I'm not sure I understand the question, through you, Mr. President.

THE CHAIR:

Senator Slossberg.

SEN. FREEDMAN:

She's answered. It's me, through you, Mr. President. I believe I was trying to lay down a foundation for the kind of relationship I might have with my party if I were to declare in advance of a party primary that I was going to do something else, and I was forced to declare in advance that I had to do this. Would that not destroy my relationship with the party, through you, Mr. President?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you. Through you, Mr. President, I'm not sure whether that would destroy your relationship. I

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don't think that's addressed by the bill in any way, shape, or form. If you've got to declare, you've got to declare, and that is the way the law has been previously.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

Through you, Mr. President, if I recall last fall, we did have a candidate go through a primary. There was no declaration. There was no gathering of petitions. There were no signatures signed until after the primary occurred. How does this impact that particular system, through you, Mr. President?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

This requires that the nominating petitions and the papers would have to be filed seven days before they are currently filed now.

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Since we moved up our primary, we did not move up the corresponding requirements for nominating parties for nominating petitions.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

Again, through you, Mr. President, how would this have affected Joe Lieberman and his candidacy for U.S. Senate?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Through you, Mr. President, this would have required him to declare to have filed his petitions prior the actual date of the primary.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

Thank you, Mr. President. So, in other words, we are taking away the whole issue of an independent

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candidate being an independent candidate after a primary.

We're saying you must declare that you are going to run one way or another, whether you win the primary or not. Is that correct, through you, Mr. President?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

I apologize again, Senator Freedman, if you wouldn't mind repeating your question.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

Thank you, Mr. President. What I asked was if you have to declare before the primary, you are now impacting the outcome of the primary. We've changed the wording of that. Is that true?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

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Through you, Mr. President, I couldn't speculate as to how you would be impacting the outcome of the primary. I think that's going to depend on how people would like to vote.

THE CHAIR:

Senator Freedman.

SEN. FREEDMAN:

Again, through you, Mr. President, I think what we're trying to do is to prevent Independent candidates from being Independent candidates, by putting them before the horse and not.

THE CHAIR:

Senator Looney.

SEN. LOONEY:

Yes, Mr. President. Thank you. Mr. President, I believe that there is an amendment somewhere in the pipeline that would deal with Sections 13 and 14 of the bill. It is not here, so I would ask that the bill be Passed Temporarily.

THE CHAIR:

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Hearing and seeing no objections, so ordered.

Mr. Clerk. Senator Looney.

SEN. LOONEY:

Mr. President, thank you, Mr. President. A bill marked Passed Temporarily earlier, Calendar Page 3, Calendar 264, Senate Bill 739, if the Clerk might call that item.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Calendar Page 3, Calendar 264, File 217, Senate Bill 739, An Act Concerning Repairs to Motor Vehicles, Favorable Report of the Committee on Transportation.

THE CHAIR:

Senator DeFronzo.

SEN. DEFRONZO:

Thank you, Mr. President. Mr. President, I move acceptance of the Joint Committee's Favorable Report and passage of the bill.

THE CHAIR:

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Yes, thank you, Mr. President, just to change the marking on an item that had been placed on the Consent Calendar. There has been an amendment filed that will need to be dealt with, so I would like to change the marking on Calendar Page 16, Calendar 561, Senate Bill 1440, to remove that item from the Consent Calendar and to mark it Go, so that it will be reached when we reach items on Page 16.

THE CHAIR:

Hearing and seeing no objections, so ordered.

Mr. Clerk.

THE CLERK:

Returning to the Call of the Calendar, Calendar Page 14, Calendar 407, File 513, Substitute for Senate Bill 1311, An Act Concerning the Integrity and Security of the Voting Process, Favorable Report in the Committee of Government Administration and Elections, Appropriations, and Planning and Development.

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When the bill was last before us, LCO 8612 was designated as Senate Amendment Schedule "A". It had not been adopted when the bill was Passed retaining its place on the Calendar.

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. Move acceptance of the Joint Committee's Favorable Report and passage of the bill.

THE CHAIR:

Acting on approval of the bill, Ma'am, will you remark further?

SEN. SLOSSBERG:

Thank you, Mr. President. I ask that the Clerk call LCO 8612 and I be granted leave to summarize.

THE CHAIR:

Mr. Clerk.

THE CLERK:

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LCO 8612, which will, was previously designated
as Senate Amendment Schedule "A". It is offered by
Senator Slossberg of the 14th District.

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. I move adoption.

THE CHAIR:

Please proceed, Ma'am.

SEN. SLOSSBERG:

Colleagues, this is a bill that we began our discussion yesterday relating to the integrity and the security of the voting process. And very simply, what this bill does is make sure that with our new machines that we are going to be using for elections, that the people in the State of Connecticut have the sense and the security and the trust to know that the machines are counting every vote and that every vote is counted.

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This bill, as well, contains a number of technical items with regard to conduct of elections that are related also to the new machinery that we have. And with that, I would urge adoption.

THE CHAIR:

Will you remark further on Senate Amendment "A"? If not, let me try your minds. All those in favor, signify by saying "aye".

SENATE ASSEMBLY:

Aye.

THE CHAIR:

"Nays", no. Ayes have it. Senate Amendment "A" is adopted. Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. The Clerk has in his possession LCO 9034, and I would ask that it be called, and I seek leave to summarize.

THE CHAIR:

Mr. Clerk. The Senate will stand at ease.

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[SENATE AT EASE]

THE CHAIR:

The Senate will come back to order. Mr. Clerk.

THE CLERK:

LCO 9034, which will be designated as Senate Amendment Schedule "B". It is offered by Senator Slossberg of the 14th District.

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Thank you, Mr. President. I am delighted to move adoption.

THE CHAIR:

Please proceed, Ma'am.

SEN. SLOSSBERG:

Very simply put, this amendment removes certain provisions related to the filing of nominating positions and it strikes Sections 13 and 14 of the bill, as amended. I would urge adoption.

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THE CHAIR:

Will you remark further on Senate Amendment "B"?
Senator Debicella.

SEN. DEBICELLA:

Mr. President, a question through you to Senator
Slossberg.

THE CHAIR:

Senator Slossberg.

SEN. DEBICELLA:

Senator Slossberg, through the President, what is
the difference between Sections 13 and 14? In Section
12, I read the language. I didn't fully understand
it. What does Section 12 do that 13 and 14 don't?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Yes, thank you, Mr. President. Through you,
Section 13 and 14 regard nominating positions and the
filing dates with regard to them. Section 12 deals

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with certification of endorsement with regard to State Representatives and State Senators being filed with the Secretary of State, to standardized filings. They are two different matters.

THE CHAIR:

Senator Debicella.

SEN. DEBICELLA:

Thank you. I just needed that clarification.

Thank you to the Senator, and thank you, Mr.

President.

THE CHAIR:

Thank you. Will you remark further on Senate Amendment "B"? If not, let me try your minds. All those in favor, signify by saying "aye".

SENATE ASSEMBLY:

Aye.

THE CHAIR:

Opposed, "nays". Ayes have it. "B" is adopted.

Senator Slossberg. Senator McDonald. Somebody.

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SEN. MCDONALD:

Thank you, Mr. President. Mr. President, just one brief question to Senator Slossberg, for legislative intent purposes, through you, Mr. President.

THE CHAIR:

Senator Slossberg.

SEN. MCDONALD:

Senator Slossberg, in what was originally Section 43 of the first amendment, I guess, which talks about the definition of a bonafide resident of a town, is it the intent of the bill, as amended, that the residency of an individual, for purposes of this bill, apply to anybody in the state, regardless of where they live, as of the effective date October 1, 2007?

THE CHAIR:

Senator Slossberg.

SEN. SLOSSBERG:

Yes, it is.

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THE CHAIR:

Senator McDonald.

SEN. MCDONALD:

Thank you, Mr. President. Will you remark further? Senator Meyer.

SEN. MEYER:

Thank you, Mr. President. It's really been a pleasure to work with Senator Slossberg and Secretary of State Bysiewicz and others on this bill, and with the new voting system in Connecticut, optical scanning system, it's important that we have an audit.

And I must tell you, my colleagues, that there has been some views by the CREW Vote organization, that our audit provisions of this bill are not strong enough and that we are going to have to look, as we go into session next year, at possibly strengthening our audit system. That it's got to be independent from the Secretary of State's Office.

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I think we're going to have the experience with lots of local elections this August and November which will indicate to us whether or not we do need to change that audit provision. So we'll learn from that experience. But again, I think we ought to be cautious in viewing the independence of the audit system in this bill.

I think we've got to seek that it goes forward smoothly, and if it does not go forward smoothly in this year's elections, we should come back next year ready to make appropriate changes. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator Meyers. Will you remark? Will you remark further on Senate Amendment "B"? If not, let me try your minds. All of those in favor, signify by saying "aye".

SENATE ASSEMBLY:

Aye.

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THE CHAIR:

Opposed, "nay". Ayes have it. "B" is adopted.
Will you remark further on the bill as amended?

Senator Freedman.

SEN. FREEDMAN:

Thank you, Mr. President. I just want to thank Senator Slossberg for presenting the amendment and making the bill a much better bill that we could all agree to. Thank you. I think it's a very important bill for the Secretary of State's Office and for the citizens in the state, and I think it will, as it moves forward, prove to be very worthwhile for everyone. Thank you.

THE CHAIR:

Thank you, Senator Freedman. Will you remark further on the bill? Senator Slossberg.

SEN. SLOSSBERG:

Yes, if there is no objection, I would ask that this be placed on Consent.

slr

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THE CHAIR:

Hearing and seeing none, so ordered. Mr. Clerk.

THE CLERK:

Calendar 514, Files 527 and 834, Substitute for
Senate Bill 1271, An Act Concerning Weigh Station
Operations, Favorable Report in Committees on
Judiciary, Transportation, Appropriations, and Public
Safety. The Clerk is in possession of amendments.

THE CHAIR:

Senator DeFronzo.

SEN. DEFRONZO:

Thank you, Mr. President. Mr. President, I move
acceptance of the Joint Committee's Favorable Report
and passage of the bill.

THE CHAIR:

Acting on approval of the bill, will you remark
further, Sir?

SEN. DEFRONZO:

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An immediate roll call has been ordered in the
Senate on the Consent Calendar. Will all Senators
please return to the Chamber.

Mr. President, those items previously placed on
the first Consent Calendar begin on Calendar Page 4,
Calendar 629, Substitute for House Bill 5273.

Calendar 635, House Bill 6893.

Calendar Page 5, Calendar 641, House Bill 7116.

Calendar Page 6, Calendar 649, Substitute for
House Bill 6856.

Calendar 651, House Bill 7167.

Calendar Page 10, Calendar 244, Senate Bill 74.

Calendar Page 11, Calendar 320, Substitute for
Senate Bill 1396.

Calendar Page 14, Calendar 407, Substitute for
Senate Bill 1311.

Calendar Page 15, Calendar 501, Substitute for
House Bill 7217.

Calendar 541, Substitute for House Bill 7238.

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Calendar Page 16, Calendar 561, Substitute for
Senate Bill 1440.

Calendar 575, Substitute for Senate Bill 940.

Calendar Page 17, Calendar 614, Substitute for
House Bill 6209.

Calendar Page 18, Calendar 98, Senate Bill 1172.

Calendar Page 19, Calendar 197, Substitute for
Senate Bill 1315.

Calendar 251, Substitute for Senate Bill 1066.

Calendar Page 20, Calendar 413, Substitute for
Senate Bill 1270.

Calendar 576, Substitute for Senate Bill 977.

Calendar Page 21, Calendar 667, Senate Resolution
70.

Mr. President, that completes those items
previously placed on the first Consent Calendar.

THE CHAIR:

If you will please call the roll again, the
machine will be open.

slr

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THE CLERK:

An immediate roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber.

An immediate roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber.

THE CHAIR:

Have all Senators Voted? If all Senators have voted, the machine will be locked. The Clerk will call the tally.

THE CLERK:

Motion is on adoption of Consent Calendar No. 1.
Total number voting, 36; necessary for adoption, 19. Those voting "yea", 36; those voting "nay", 0. Those absent and not voting, 0.

THE CHAIR:

Consent Calendar No. 1 passes. Senator Looney.

SEN. LOONEY:

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If all the Members have voted, the machine will be locked. And the Clerk will take a tally. Clerk, please announce the tally.

CLERK:

Senate Bill Number 707, as amended by Senate Amendment Schedule "A", in concurrence with the Senate.

| | |
|-----------------------------|-----|
| Total Number Voting | 147 |
| Necessary for Passage | 74 |
| Those voting Yea | 142 |
| Those voting Nay | 5 |
| Those absent and not voting | 4 |

SPEAKER AMANN:

The Bill passed as Amended. Clerk please call Calendar Number 723.

CLERK:

On Page 19, Calendar Number 723, Substitute for Senate Bill Number 1311, AN ACT CONCERNING THE INTEGRITY AND SECURITY OF THE VOTING PROCESS, Favorable Report of the Committee on Planning and Development.

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SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Thank you, Mr. Speaker. I move acceptance of the Joint Committee's Favorable Report and passage of the Bill.

SPEAKER AMANN:

Question is Joint Committee's Favorable Report and passage of the Bill. Will you remark, Sir?

REP. DREW: (132nd)

Mr. Speaker, the Senate passed two Amendments, Senate "A" and "B". The Clerk is in possession of LCO Number 8612. I asked that it be called and that I be permitted to summarize.

SPEAKER AMANN:

Will the Clerk please call LCO Number 8612, which will be previously designated Senate Amendment "A".

CLERK:

LCO Number 8612, Senate "A", offered by Senator Slossberg.

SPEAKER AMANN:

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Representative seeks leave of the Chamber to summarize. Is there objection on summarization?

There is no objection. You may remark, Sir.

REP. DREW (132nd)

Mr. Speaker, Senate "A" is a strike-all Amendment. It becomes the Bill with the exception of the next Amendment I will call, with the exception of that minor Amendment. Again, Senate "A" becomes the Bill.

This Bill has two functions. Number one is there are various technical changes and changes in terminology to the Statutory voting procedure.

Number two, and more importantly, we're creating an audit procedure to make sure that the new voting machines work. This is going to foster public confidence and trust in our electoral system. It passed unanimously in all of the Committees in the Senate. I move for adoption.

SPEAKER AMANN:

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Thank you, Sir. The question is on adoption.
Will you remark? Will you remark? Representative
Powers.

REP. POWERS: (151st)

Through you, Mr. Speaker. A quick question to
the proponent of the Amendment, please.

SPEAKER AMANN:

Frame your question, Madam. Please prepare,
Representative Drew.

REP. POWERS: (151st)

Through you, Mr. Speaker. Is there a fiscal note
on this Amendment, please?

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Yes, there is a fiscal note on this Amendment.

REP. POWERS (151st)

Through you, Mr. Speaker. Would the gentleman
share the fiscal note with the Chamber?

SPEAKER AMANN:

Representative Drew.

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REP. DREW (132nd)

Mr. Speaker, essentially the fiscal note for Amendment "A" indicates that there will be some cost to conduct the manual audits, a relatively minor amount. They identify the City of Hartford, for example, may be expected to incur a cost of \$1,500.

SPEAKER AMANN:

Representative Powers.

REP. POWERS: (151st)

Thank you, Mr. Speaker. Through you. Is this a mandate on municipalities? Through you, Mr. Speaker.

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, these audits will be required by the Statutes. Yes, these audits will be required by the Statutes.

SPEAKER AMANN:

Representative Powers.

REP. POWERS (151st)

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Thank you, Mr. Speaker. I think that is the definition of a mandate, so that in fact these will be mandates on the municipalities, at a cost.

Is any funding provided in this Senate "A" or Senate "B"? Oh, no, I can't ask you about Senate "B". Is there any funding in Senate "A" to pay for these audits? Through you, Mr. Speaker.

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Thank you, Mr. Speaker. This Bill does not provide funding. It does, however, refer to federal funds being available to be used for audits, random audits, with respect to the election in 2007.

REP. POWERS: (151st)

Through you, Mr. Speaker. I thank the gentleman for his answer. Does the state collect that money and provide it to the municipalities, or does the federal government get it directly to the municipalities?

Through you, Mr. Speaker.

SPEAKER AMANN:

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Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, I'm not exactly sure how that money gets directed by the federal government.

SPEAKER AMANN:

Representative Powers.

REP. POWERS: (151st)

I thank the gentleman for his answers. Thank you, Mr. Speaker.

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

SPEAKER AMANN:

Care to remark further? Representative Alberts.

REP. ALBERTS (50th)

Thank you, Mr. Speaker. A question, through you, to the proponent of the Amendment.

SPEAKER AMANN:

Please frame your questions, Sir. Representative Drew, please prepare.

REP. ALBERTS: (50th)

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Thank you. It appears that according to what I'm reading that there are several procedural changes that reflect the transition from our mechanical voting machines to optical scan voting machines. Through you, Mr. Speaker. Would the proponent of the Amendment address the changes that we're contemplating?

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, this Bill has close to 60 pages of technical changes and changes in terminology. Perhaps the Representative could be more specific.

SPEAKER AMANN:

Representative Alberts.

REP. ALBERTS (50th)

I thank you, Mr. Speaker. Through you, Mr. Speaker. Is there any reference in Senate Amendment "A" to mechanical voting machines which are presently in our town halls? Through you, Mr. Speaker.

SPEAKER AMANN:

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Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, one of the main purposes of this Amendment is to change the language from the mechanical machines and instead use the terminology, I think the terminology is voting tabulators.

SPEAKER AMANN:

Representative Alberts.

REP. ALBERTS (50th)

Through you, Mr. Speaker. What is the effective date for the mechanical machines to be retired and be replaced by these optical devices?

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, my understanding is the new machines, the optical scanning machines must be used this election time, next fall, 2007.

REP. POWERS: (151st)

Mr. Speaker, through you.

SPEAKER AMANN:

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Representative Powers, I see you, Sir. I'm
trying to make a decision up here, Sir.

REP. POWERS (151st)

Thank you. What is the timeline for those
optical scanning devices to be acquired? From what I
understand, there are only a handful of units that now
exist throughout the state.

And I'm concerned that if we act on this
Amendment, we're going to have very good quality
mechanical machines which we could use, but we are not
going to be able to use because we passed an Amendment
and we're not going to have the equipment in place to
actually carry out voting in November. Through you,
Mr. Speaker.

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, this Amendment and this Bill does
not address the requirement to acquire these machines.
It really just refers to a statutory audit function.

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That law has already been passed regarding the acquisition.

SPEAKER AMANN:

Representative Alberts.

REP. ALBERTS: (50th)

Thank you, Mr. Speaker. I thank the gentleman for his answers.

SPEAKER AMANN:

Care to remark further on the Bill before us?

Care to remark further? Representative Hetherington.

REP. HETHERINGTON: (125th)

Thank you, Mr. Speaker. A question to the proponent.

SPEAKER AMANN:

Take a seat, Sir.

REP. HETHERINGTON: (125th)

Through you, Mr. Speaker. There is nothing in this Amendment as I review it that has to do with the time for registering to vote, such as creating the so-called same-day registration or Election Day

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registration. Is that correct? Through you, Mr.
Speaker.

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, yes, that is my understanding as
well. There is nothing in there.

SPEAKER AMANN:

Representative, you need to talk with the Chair,
Sir.

REP. HETHERINGTON: (125th)

I'm sorry. I apologize.

SPEAKER AMANN:

That's okay. Proceed, Sir.

REP. HETHERINGTON: (125th)

The audit is carried out under the Secretary of
State's Office, is that correct? Through you, Mr.
Speaker.

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

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Mr. Speaker, no. Primarily it is the Registrar of Voters who conducts the audit.

SPEAKER AMANN:

Representative Hetherington.

REP. HETHERINGTON: (125th)

Thank you. I thank the proponent. This Bill originated in passing through GAE and I think it is a good Bill. It does a number of things that needed to be done in assuring the integrity of the voting process. I recommend its passage. Thank you, Mr. Speaker.

SPEAKER AMANN:

Thank you, Sir. Care to remark further on the Amendment before us? Care to remark further? If not, let me try your minds. All in favor please signify by saying Aye.

CHAMBER:

Aye.

SPEAKER AMANN:

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All opposed, Nay. The Ayes have it. The
Amendment is adopted. Remark further on the Bill as
amended? Representative Drew.

REP. DREW (132nd)

Mr. Speaker, the Senate also adopted Senate "B".
The Clerk is in possession of LCO Number 9034. I ask
that it be called and I be permitted to summarize.

SPEAKER AMANN:

Please call LCO Number 9034, which was previously
designated Senate Amendment Schedule "B".

CLERK:

LCO Number 9034, Senate "B", offered by Senator
Slossberg.

SPEAKER AMANN:

Representative Drew.

REP. DREW: (132nd)

Mr. Speaker, this Amendment strikes Sections 13
and 14 of the underlying Bill which regards voting
procedure filing deadlines. I move for adoption.

SPEAKER AMANN:

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Question is on adoption. Will you remark? Let me try your minds. All in favor please signify by saying Aye.

CHAMBER:

Aye.

SPEAKER AMANN:

All opposed, Nay. The Ayes have it. The Amendment is adopted. Care to remark further on the Bill as amended? Care to remark further? If not, staff and guests please come to the Well of the House. Members take a seat. And the machine will be opened.

CLERK:

The House of Representatives is voting by Roll Call. Members to the Chamber. The House is voting by Roll Call. Members to the Chamber, please.

SPEAKER AMANN:

Have all the Members voted? Have all the Members voted? Stay in the Chamber, folks. We are going to start closing these machines down. Have all the Members voted?

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Do not run, please, do not run. If all the Members have voted, please check the board to make sure your vote has been properly cast. If all the Members have voted, the machine will be locked. The Clerk will take a tally. Clerk please announce the tally.

CLERK:

Senate Bill Number 1311, as amended by Senate Amendment Schedules "A" and "B", in concurrence with the Senate.

| | |
|-----------------------------|------------|
| Total Number Voting | 147 |
| Necessary for Passage | 74 |
| <u>Those voting Yea</u> | <u>134</u> |
| Those voting Nay | 13 |
| Those absent and not voting | 4 |

SPEAKER AMANN:

Representative Hewett, for what purpose do you stand, Sir?

REP. HEWETT: (39th)

Mr. Speaker, I'd like to cast my vote in the affirmative.

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SPEAKER AMANN:

It will be in the transcript notation as ordered.

REP. HEWETT: (39th)

Thank you, Mr. Speaker.

SPEAKER AMANN:

Will the Clerk please call Calendar Number 709.

CLERK:

On Page 17, Calendar Number 709, Substitute for Senate Bill Number 937, AN ACT ESTABLISHING AN OFFICE OF MILITARY AFFAIRS AND IMPLEMENTING RECOMMENDATIONS OF THE GOVERNOR'S COMMISSION FOR THE ECONOMIC DIVERSIFICATION OF SOUTHEASTERN CONNECTICUT, Favorable Report of the Committee on Appropriations.

SPEAKER AMANN:

Representative Reynolds.

REP. REYNOLDS: (42nd)

Thank you, Mr. Speaker. I move for acceptance of the Joint Committee's Favorable Report and passage of the Bill in concurrence with the Senate.

SPEAKER AMANN:

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in which to make a lot of money, refining, and so on and so forth.

And so essentially, if you enforce one DTW price, and I'm assuming that they could pretty much charge any DTW price they want, they would probably charge, as we stated in our study, the average price.

And so, for some dealers yeah, their DTW would fall. However, what incentive do those dealers have for lowering their price, it's their retail price, essentially, and for all the other dealers essentially whose DTW goes up, they're going to have to increase their price, otherwise they're going to make no money.

So what will end up happening, essentially, is that you're not going to change retail prices in those areas where DTW is going to fall, and where DTW is going to go up, you're either going to, you see everybody raise their retail price, or as I mentioned previously, the dealer franchisees will have to increase their retail, and possibly be driven out of business if nobody else does.

REP. STONE: Representative Mazurek.

REP. MAZUREK: Thank you, Mr. Chairman. Mark, just a couple of follow up questions. I think I heard you say that your study made the assumption that DTW would be the same all over? That was the assumption that--

MARK GIUS: Well, if you ban DTW, if you ban zone pricing, it has to be the same.

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REP. MAZUREK: Okay. I think you also said that you made the assumption in your study that the dealers would not lower their price?

MARK GIUS: If a dealer has a lower DTW price, and all the other gas stations, you know, still charge, for example if today their DTW is \$2 and then tomorrow it goes to let's say \$1.50, and everybody else is still charging the same retail price, I doubt that dealer would lower his price. He'd probably keep retail price. He'd probably keep it the same and just pop the difference--

REP. MAZUREK: Okay, so you also made that assumption.

MARK GIUS: --and charge what the market would bear, as I mentioned previously.

REP. MAZUREK: When you were doing your study, and I've alluded to the fact that there has been some wide swings between Mobil rack price and Mobil DTW, did you find that same thing happening in the data that was presented to you?

MARK GIUS: I didn't have access to rack prices.

REP. MAZUREK: Oh, you didn't have access to any rack prices when you did the study?

MARK GIUS: I had access to some companies rack prices, but not, it wasn't the thrust of our study, because primarily rack prices, of course, are not affected by zone pricing.

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REP. MAZUREK: Okay. You talked about letting the markets work, and I guess I'm making the assumption now, and I'm not going to ask you again, but I'm making the assumption that if all 1,000 stations in the State of Connecticut were to buy at the same price, and that price was the rack price, that in fact the markets would work, and that we'd have competition amongst the 1,000 stations that are left in the State of Connecticut.

Just one other thing. In one of the articles that's presented to us, API reports that Shell is ditching zone pricing on the street, and they're back in the northwest portion of the United States.

According to Shell Oil, a rack pricing strategy allows for a more consistent price at street level rack price, and can be more transparent to show wholesalers and Shell believes that a pricing method that allows a station to offer consumers a more competitive price.

This just came out, I guess, ten days ago or so on the AP. Have you had a chance to look into this at all?

MARK GIUS: No. I don't know. Is it Oregon, you said?

REP. MAZUREK: It says that it is in northwest U.S.

MARK GIUS: I have no idea if any of those states have divorcement. That can also have a lot to do with it because zone pricing is much more

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important in Connecticut because of divorcement there are no company-owned and operated gas stations.

While in the northwest, if they do have company-owned and operated gas stations, zone pricing may not be as much of an issue, if you will, as it is in this state.

REP. MAZUREK: Okay. Thank you.

REP. STONE: Thank you. I believe I've seen that article on the Shell in the west coast. I believe it was, I haven't seen the whole article, but I believe that Shell was considering abandoning zone prices because Shell wasn't making enough money.

Is, anyone else? Thank you very much, Professor, for your testimony.

MARK GIUS: Thank you.

REP. STONE: And for waiting here and answering questions. But now for the other side of the story, Mike Fox. The thing is, with Michael, Mike can come up or his kid can come up. You wouldn't know the difference.

MICHAEL FOX: He's nicer than I am.

REP. STONE: You're not such a bad guy, Mike.

MICHAEL FOX: Thank you, Mr. Chairman.

REP. STONE: Good afternoon.

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MICHAEL FOX: Good afternoon, good evening, thank you again for the opportunity to come here. My name is Michael Fox, Executive Director.

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I think before I get into the Professor and the studies, I'm going to stick with what I said earlier. I'm going to try and stick with what is zone pricing, why we need it here in Connecticut, and how it will help your constituents.

I think the most important thing is, zone pricing is really nothing more than price discrimination where you charge a different wholesale price to a different dealer based upon geographic locations. That's it in its simplest form. It's the same product on the same day out of the same terminal.

Why we need it here in Connecticut is because the major oil companies control your towns, and your constituents, and what they pay for the retail price for gasoline.

And the reason that is, because if they charge a retailer 30 cents, 40 cents or 50 cents a gallon more, the only way a retailer can make money is to again pass that on to the consumer and charge a higher retail price.

How it will help your constituents, and why all of these studies by Professor Deck, Professor Wilson, and this study here today, why those studies are fundamentally fraud is for two reasons.

The one big important reason, it has no basis in fact of what this bill does. You heard time and time again the word, I assume they will charge one DTW price throughout the state.

Someone needs to read the bill that was proposed last year, and the bill that we're proposing this year. It does more than just ban zone pricing.

I do agree with the Professor. I do agree with Professor Beck and Professor Wilson, that if the only thing you did was ban zone pricing, you probably would end up with higher prices here in Connecticut. I absolutely agree with that.

The reason this bill works for every single one of your constituents, no matter what town you're in is, this bill as proposed, and the language changes that we've recommended be made, does six important things.

First, it bans zone pricing. It then replaces zone pricing, as Representative Mazurek correctly said, with rack pricing. The rack price that you've already heard testimony from the jobbers and distributors, those two-thirds, is cheaper than all of the DTWs in the State of Connecticut.

I did hear the Mobil dealer, Mr. Simeone say that his is below rack. I don't believe he's accurate. I believe he's looking at an average rack price, not the average, and certainly I would be willing to take the data that I've given you, and just have him give me his data,

and put it on that same sheet so you can draw your own conclusions.

Third, what the bill does as presented with our changes, is to make sure that all lower cost incentives and rebates are equally offered and equally applied. Why is that important?

Because again, selectively, controlled by the major oil companies, they offer different discounts and different rebates to different segments of the market, depending upon the part of the state that they're in.

Now we're not banning those discounts. We're just saying you have to equally offer them. Imagine going to a grocery store, and they say the first ten people who walk through the door get to buy milk for \$3 but everybody else pays \$5. You would outlaw that very quickly.

The second part of the equation, or the next step of the bill is that it allows the retailers to offer a discount for cash from credit cards.

I must make it very clear that no state or federal law, no Connecticut law prevents a retailer from offering a discount for cash. The only thing that does that is the restrictions in all of our contracts, both the one-thirds and the two-thirds from the major oil companies. And why do they do that? Because they profit from credit card fees.

And then the next part of the bill, which I think is the very important part for the

Attorney General's office, and you as Legislators and Consumer Protection is, it requires any of these discounts, rebates or incentives to be shown line item by line item on an invoice.

So instead of myself or professors or anybody else coming up here, you can look at it on a piece of paper and decide for yourself.

REP. STONE: Thank you. Thank you, Michael for your testimony. Any questions of Mr. Fox? Thank you very much. Next up is Cathy Barber.

CATHERINE BARBER: Good evening, my name is Catherine Barber. I live in Wethersfield. I Chair the Connecticut Legislative Committee of the New England Convenience Store Association. NECSA members include single store operators, multi-store operators and chains.

Also, I am the Connecticut Sales Manager for Leonard E. Belcher, an 80-year-old family-owned distributor selling fuel to many small station owners. We operate several Connecticut company-owned locations as well.

NECSA and Belcher oppose Senate Bill 1136. Zone pricing does not in and of itself, result in overall across the board higher gas prices to consumers. Eliminating zone pricing therefore, will not result in overall lower gas prices in our state.

Zone pricing does not affect all stations, as you heard. Roughly two-thirds of stations are not affected. This proposal benefits certain

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no definition of it, and that's what we're suggesting.

Diana from the New England Convenience Store Association informed us, informed me earlier that Maine does have a similar 15% [inaudible].

REP. STONE: She's going to speak next. Thank you both, thank you gentlemen. Diana O'Donoghue.

DIANA O'DONOGHUE: Again, I'm Diana O'Donoghue representing the Connecticut Chapter of the New England Convenience Store Association, and Senator Caligiuri, you already asked why I only have two points on this bill.

Senator Caligiuri already presented the 15% issue, and Maine did pass legislation last Session in 2006, which established the 15%.

However, it's, the emergency would have to be so extreme under the Maine bill, something even worse than Katrina, I think, for it to go into effect.

REP. STONE: [inaudible-microphone not on]

DIANA O'DONOGHUE: I can get you a copy of it through Pat McCabe, to our legislative representation here.

Also, tomorrow, New Hampshire's looking at a gas price gouging bill as well, so if they pass a version, I can get you that, too.

And my only other comment about this particular bill was that there was no, on Page 2 of the

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bill, there was no specificity about how to prove the additional costs that determine whether there's a prima facie evidence of an unconscionable price. So I ask the question, do the large petroleum operators need to supply invoices?

REP. STONE: Well, aren't you, if you have language that you propose to tighten that up or further define that, we'd look at that, too.

DIANA O'DONOGHUE: Great. I appreciate it. Thank you very much.

REP. STONE: No problem. No problem. Well, you don't have to rush off.

DIANA O'DONOGHUE: Any questions?

REP. STONE: There you go.

SEN. COLAPIETRO: Oh, you come with us over here. I've got to go anyway.

REP. STONE: Any questions of the young lady? No? Okay, thank you very much, Diana. Mike? We're stuck. Rafie? Is Rafie here? Rafie, come up. Rafie, this is on the discounts for cash. Mike, we'll get you on. You'll get the last one, you get the enforcement issue. Are you all set on that?

MICHAEL WEIHL: Yeah.

REP. STONE: Rafie?

RAPHAEL PODOLSKY: Thank you. My name is Raphael Podolsky. I'm a lawyer with the Legal Assistance Resource Center in Hartford, and I wanted to speak on House Bill 7101, which prohibits gasoline companies from banning cash discounts, and I'd like to speak against the bill.

Our law actually is a little bit strange if you look closely at the law, because what the law does is, it prohibits credit card surcharges but it allows cash discounts.

And what this bill does is, it prohibits companies selling to retailers from forcing them, from prohibiting them, if I manage to say this right, it bars them from preventing the use of cash discounts.

The reason I'm against the bill is I don't think cash discounts are a good idea, and I think that we should not do things, pass things that are going to encourage a greater use of cash discounts.

Cash discount is essentially a discrimination against a credit card user, or anyone paying on time. You end up with two prices. You have a cash price. You have a credit price.

So that apart from the fact that the credit card user is paying for the credit, the credit card user now is also paying for the product at a higher price for the product itself.

It becomes kind of a double charge for using credit. It makes it much harder to disclose to

the credit card user what the real cost of the credit is, because it split it into two parts, and it, and in that sense it means that you are in essentially treating the credit card user in a way that's going to produce a significant disadvantage.

The only argument that I was aware of for doing this is that a retailer pays when somebody uses a credit card, and I suppose this becomes a way of recapturing that cost. They're paying for the ability to use that credit card.

But the reason the people have credit cards, the reason that the retailers pay credit cards is because it builds volume, and by building volume it reduces their overall cost of each item.

And historically, that's the reason. Years and years ago I used to come in all the time. We talked about interest rate regulation on credit cards, and credit card companies would say they're losing money, they're losing money, and we would say, well, why don't you stop issuing the cards?

And they'd say, no, we can't do that because we need the revenue that comes in from the sales. People wouldn't come to our place and buy if they couldn't use a card.

The point is, the cards are used to generate money, and that that in a sense is the way that the cost is covered.

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GENERAL LAW

February 15, 2007

So I would just recommend that you not, that you take no action on the bill. I think, I just don't think it's the right direction.

REP. STONE: Thank you, Rafie. And you've heard testimony from representatives of the retail sections, or portions of this industry who have supported the bill.

RAPHAEL PODOLSKY: I actually, no, I've been in and out of the room and I've not actually heard it.

REP. STONE: All right. Well, take my word for it.

RAPHAEL PODOLSKY: Okay, I'll believe you.

REP. STONE: Senator Caligiuri.

SEN. CALIGIURI: It's just a quick question. Rafie, are you aware of any data about who's using credit cards versus paying cash that gives you any concern about the bill having some kind of a disproportionate impact on one group of the population as opposed to someone else? Is there any of that kind of an issue underlying your concern here?

RAPHAEL PODOLSKY: Well, first of all, I don't have any data, and to some extent, I'm expecting kind of a more general concern in regards to how this plays out between credit and cash.

I think that, I mean for my real core constituency, they basically have, they don't have credit cards, and they have difficulty getting cash, and so buying the gasoline in the first place is a problem.

But there are parts of the relatively low income groups that I represent that do use credit cards, and charging that double charge for use of the credit card I think is an unfair result.

SEN. CALIGIURI: And that's what I was just getting at, just for the record.

I mean, do you have an underlying concern here that this would have a disparate impact on a certain subset of our population, the poor or other groups that are somehow going to be harmed by this kind of legislation.

I just want to make sure that that's really at the heart of what your concern is that I understand that.

RAPHAEL PODOLSKY: Yes, I think that's right.

SEN. CALIGIURI: Thank you.

REP. STONE: Thank you, Senator. , Anyone else? Yes, Representative Mazurek.

REP. MAZUREK: Thank you, Mr. Chairman. Rafie, I got a little bit confused by your testimony. I'm uncertain at this point that you're against the cash discounts in Connecticut.

We've got data that was submitted by the Independent Connecticut Petroleum Association where they speak to the cost of Connecticut's consumers, what they pay for gasoline.

And in this cost analysis that they've done, they've included essentially eight cents as a credit card fee that's tacked onto the cost at the pump, so I think as I read their data, that they're telling me that the price of gasoline that everyone purchases has been increased by eight cents a gallon to pay for the people who use a credit card.

And I think what this bill advocates is that people who are willing to pay cash would, in fact, receive an eight cent a gallon discount for their purchase, where the people who use the credit card would continue to pay their eight cents, which is the credit card fee.

RAPHAEL PODOLSKY: And they would pay for the cost of credit.

REP. MAZUREK: And they would what?

RAPHAEL PODOLSKY: And they would pay for the cost of credit.

REP. MAZUREK: Yes.

RAPHAEL PODOLSKY: So if they are paying, I have no idea what the interest they pay on the credit card averages out per gallon, but if it was costing them, I don't know, four cents a gallon to use the credit card or eight cents a gallon to use the credit card, then they're paying sixteen cents a gallon on the credit, for the use of the credit card, and none of that is disclosed.



February 15, 2007

Co-chair Thomas Colapietro
Co-chair Chris Stone
Senator Sam Caligiuri
Representative Leonard Greene

General Law Committee:

Ladies and Gentleman of the Connecticut General Law Committee. My name is Peter Shea. I am employed by Drake Petroleum that does business as XtraMart. Our main office is located in North Grosvenordale Ct. We employ approximately 480 individuals from sales assistants, managers (45 operated locations), office personnel, area representatives (75 supply accounts), vice president and president that are tax and voting residents of Ct. The passage of bill HB 1136, HB 1137, and HB 7101, as they stand, could negatively effect the growth and competition of the retail gasoline market. The consumer would be hurt the most.

HB 1136, seeks to eliminate zone pricing. Zone pricing was established for the sole purpose to provide assistance to gasoline retail outlets in extremely competitive locations/areas. Many small and large retail outlets in Connecticut are faced with the difficult task of competing with Big Box retailers who utilize gasoline as a lost leader in order to obtain membership in their club. In addition, there are Connecticut retailers along the State borders that a confronted by neighboring state outlets which have a distinct tax advantage. Zone pricing provides the supplier the option of offering a cost discount in order to support the outlets profitability. Without this assistance, these outlets business viability would be in jeopardy.

HB 1136, section (c) would restrict when a retail site can change their posted price for gasoline. If the replacement cost of product rises above the profit margin from the prior delivery, how does the small or large operator produce enough profit to pay for the replacement gasoline, taxes, utilities, and wages? This appears to be a reactive response to the catastrophic events after Katrina. In the post Katrina market, supply of product was disrupted causing unforeseen hourly cost increases in gasoline. To legislate price freezes while actual costs based upon the commodities market increases, is an unfair burden on retailers. This is a function of the free market. If the retail price is not in line with the market, then the consumer purchases will dictate the volume through put.

2-15-07

Chairman Colpietro, Chairman Stone, Members of the Law and Energy

Committees:

Thank you for the opportunity to express my opinion regarding bill 1136 as it relates to zone pricing. My name is Paul Simeone, I am a Mobil station dealer/owner Berlin and Milford I am opposed to bill 1136.

My father has owned gas stations for more than 36 years, needless to say I have been familiar with his business since childhood. I became involved in my father's business in 1991, where my responsibilities grew beyond being an attendant. I bought my first station in 2003. Since becoming a dealer myself, there have been many changes in gasoline industry; lifelong dealers have seen many more changes in the industry, from shrinking margins, due to more competition and higher expenses. This has changed our focus from gas to merchandise/convenience. I am little guys in the business. Personally, I would like to continue to own Mobil gas stations. My business and my future plans as well as my fathers business which he has worked at for 36 plus years will be in jeopardy if this bill passes. The reasons are simply: Competition is getting tougher, Expenses keep rising and new competitors are entering the market place.

Why we need price zone is for the fact that most of our competition don't sell gas to make a profit, they use it as a loss leader so you can over pay for there product in the store. These competitors set there price based on competition and this competition varies throughout the state.

Last year when we were discussing price zone, one of the news station was interviewing customers at a Citgo station. Her response was yes they should eliminate price zone. It is inconvenient for me to drive a mile or two away to get gas cheaper when there is a citgo station located near my house. The interesting thing is that if this bill is passed that same distributor who owns both of those locations will still sell gas cheaper at one location vs. the other because of competition. This same distributor has multiply stations; In fact I pass by three of his station on the way home from work. He always has three different prices. If I am reading this bill correctly he will not be affected by this bill. However, I will be. I have to ask the question am I being affected because I am an ExxonMobil dealer and most people think they make to much money.

ExxonMobil and zone pricing helps small stores and dealers when faced with deep pocketed retailers or distributors. As an example: If a new competitor comes in next to my location, that new retailer would most likely, lower their gas price, to draw customers, which automatically would force all other surrounding stations to follow suit, either match competition price or to be priced competitive. Without price zone ExxonMobil would not be able to help our locations. If this bill passes it would tie the hands of ExxonMobil, as it regards to pricing. All it would take is for one person who could afford to not make any money at a location for short period of time. Driving all other competition out of business. During this period it is great for the consumer until there is no competition left. Then prices will rise and the consumer will pay.

Therefore, in closing, I am asking please do not pass this bill. Price Zone works and allows us to compete and operate in a tough gas market. Allow small dealers such as myself continue to grow and prosper in this industry.

Pal Sines

the stations. Each segment sells about half the gas sold in Connecticut. A zone pricing ban aimed against refiners prevents them from competing equally against stations owned by independents, distributors and wholesalers—who are allowed to zone price. A refiner-only zone pricing ban appears punitive and is bad public policy, especially since no reason has been articulated for having separate policies for refiners and independents. Zone pricing should be allowed by all classes of competitors in the marketplace.

(3) PRICES FOR FUEL IN INVENTORY

Section 2 bans retailers from raising pump prices “in anticipation of market-based price increases.” Retailers (and wholesalers) raise prices due to increasing fuel costs and competition. If gas station retailer A chooses to increase his price because service station retailer B across the street did so, that is legitimate market behavior, and should clearly be allowed, even if A did not get a new delivery at a higher price. Conversely, A should be allowed to reduce his price to match B, even if A does not get a new delivery at a lower price. The market works both ways. The language in the bill referring to “anticipation of market-based price increases” is unworkable; it should be deleted because it refers to a retailer’s intent. How can one tell if A moved up his price in order to meet B, or if A moved up his price because he “anticipated” a price increase from his supplier, or “anticipated” a price increase based on activity on the world oil market? This section is a type of price control, and should be deleted in its entirety.

(4) POINTS PRESENTED EARLIER, AND REITERATED TODAY

- * Many other industries (such as hotel chains, movie theaters and retailers), and many other companies such as Super Stop & Shop and CVS use zone pricing. It is not unique to the gasoline industry.
- * There are no bans or limitations on zone pricing in any of the 50 states on gasoline or on any other product, because legislators know that zone pricing bans would limit competition.
- * Zone pricing is especially useful when dealing with competition from adjacent states such as Massachusetts which have a lower gasoline tax (about 12 cents less), and in areas of cutthroat competition such as the Berlin Turnpike.
- * Major oil companies, gasoline distributors and many gasoline dealers have repeatedly testified before the General Law Committee that gasoline zone pricing helps---not hurts---both the dealer and the motorist, and that it helps keep gasoline retailers in business.
- * The 2005 Federal Trade Commission (FTC) report said “zone pricing may provide branded refiners the flexibility to meet localized competition, thus resulting in lower prices than might otherwise occur.”

**STATEMENT OF EXXON MOBIL CORPORATION
TO THE GENERAL LAW AND ENERGY COMMITTEES
OF THE CONNECTICUT LEGISLATURE
ON RAISED BILL 1136
FEBRUARY 15, 2007**

This statement is submitted by Exxon Mobil Corporation for the hearing record on Raised (or House) Bill 1136 regarding gasoline pricing. ExxonMobil presently supplies and/or operates about 140 Mobil branded stations in Connecticut, representing approximately 20 percent of the gasoline sold in the state. Of those stations, approximately 120 are retail dealer operated. The twenty Mobil stations on the turnpike are Company Operated, as required under state law. The balance of Mobil branded stations in the state are owned and/or supplied by Mobil branded distributors. None of the Exxon branded stations in Connecticut are owned and/or supplied by ExxonMobil.

ExxonMobil has experienced first-hand the high level of retail gasoline competition that exists within Connecticut. With the emergence of hypermarket, grocery, store chain, and other private brand competitors in the sale of gasoline, competition continues to intensify each year. ExxonMobil's ability to respond to these non-traditional competitors is critical to the ability of our branded dealers to compete effectively within the state.

ExxonMobil is opposed to Raised Bill 1136 and similar proposals because they would prevent us from responding to local competitive conditions that exist today and will continue to evolve over time. By requiring refiner gasoline suppliers to charge the same or similar wholesale prices to all customers in Connecticut regardless of local competitive conditions, the proposed legislation would place refiner supplied dealers at a competitive disadvantage and limit price competition to the detriment of the consumer.

Pricing strategies developed over time reflect local competitive conditions and enable our dealers to compete effectively. In the ever-changing competitive environment, ability to respond to local competitive conditions is critical. Mandating a single price or a narrow range of prices (due to transportation cost differences and/or volume discounts) to all refiner supplied dealers within Connecticut would effectively prevent us from considering local competitive factors in our pricing, thereby limiting our ability to respond to local competition.

Prices to our dealers are established based on both the wholesale competitiveness for sales to direct-served dealers, and the retail competition faced by a dealer in the discrete market area served by that dealer. Ultimately the dealer, an independent businessperson, sets the retail price charged to the consumer based on these local competitive conditions. By adjusting wholesale prices within a local area, ExxonMobil is able to better serve our dealers, who must respond to the local competitive environment.

One key element of the local competition faced by ExxonMobil and our dealers is the retail pricing behavior of non-traditional competitors such as hypermarkets, grocery store chains, and other private brand competitors, who would not be affected by Raised Bill 1136. These non-traditional competitors appear to use a non-traditional approach when establishing retail prices. In some cases, it appears competitors who have recently entered the gasoline business may be offering incentives in order to establish their customer base, such as providing gasoline discounts linked to increased sales of merchandise inside a retail store.

Zone pricing or market based pricing is neither new nor unique to the petroleum industry. Similar to market or zone based pricing in other industries, including hotels, car rentals, supermarket chains and movies, zone pricing of gasoline is based on the empirically demonstrated principles that competition varies from place to place and from time to time. Banning of zone pricing would limit competition, resulting in harm to the consumer through higher prices and would constitute an intrusion upon the efficient and competitive working of the gasoline marketplace. As stated in a March 2004 Federal Trade Commission authorized study:

"Economic theory, empirical research and experimental research all provide reasons to believe that banning price zones would be likely to result in higher average prices (emphasis supplied)."

In 2001, the Maryland Legislature authorized an in-depth study and following its completion they rejected ban legislation. And, no state in the nation has barred or limited the practice.

In summary, Raised Bill 1136 will diminish competition and place our dealers at a competitive disadvantage, to the detriment of Connecticut motorists. Therefore, we urge the Committee to reject this bill.



TESTIMONY SUBMITTED BY:
Diana O'Donoghue, Executive Director
Connecticut Chapter
New England Convenience Store Association
February 15, 2007

RE: Testimony Relative to HB 1136: An Act Concerning Zone Pricing

**Chairman Colapietro, Chairman Stone, members of the Committee,
thank you for the opportunity to testify before you today.**

My name is Diana O'Donoghue and I am the Executive Director for the Connecticut Chapter of the New England Convenience Store Association. The Connecticut Chapter represents more than 400 convenience stores and over 80% of our members sell gasoline. NECSA's membership consists of independent, family owned convenience stores, independently owned franchise stores as well as chain-operated stores.

Our members oppose House Bill 1136, the proposed legislation that would prohibit a gasoline operator from raising the price of gasoline in order to purchase replacement inventory. Prohibiting the gasoline station owner from raising the price to make the next purchase would be unfair, is anticompetitive, and would threaten ability of a gasoline operator to earn a living.

Our members realize that volatile gas prices and increases are unpopular with the public. However, what most people do not understand is that your local gas station does not control a majority of the expense of a gallon of gas.

According to the National Association of Convenience Stores (NACS), convenience stores sell approximately 80 percent of the gas in the United States. Nearly 90 percent of the price of a gallon of gasoline is determined before it reaches the retailer. International issues, weather and a variety of events contribute to supply and demand imbalances which can also raise gas prices.

I can tell you that for our members, price volatility is not brought on by retailers and retailers make pennies per gallon on motor fuels. Specifically, according to the OPIS Retail Fuel Watch in 2006, although prices had climbed over \$2 per gallon, the average retailer earned a gross profit of approximately between ten to fourteen cents per gallon with some quarters providing slightly higher margins at that time. However, after incorporating expenses such as credit card processing fees, operation costs, and taxes, profit margins in 2006 were significantly less amounting to a few cents per gallon if at all. According to OPIS report, the break-even margin for retailers during that time was about 13-cents per gallon.

Other added costs that affect profit margins and that are often overlooked include gasoline thefts due to drive offs which increase as the price of gas increases and the large expense of investing in a new store with new fuel equipment (approximately a \$300,000 to \$400,000 cost depending upon location).

This year, higher crude oil prices have increased the cost of gas significantly. Convenience store retailers dislike higher gasoline prices as much as our customers do because ultimately in-store sales decrease and customers are unhappy. These same retailers must have flexibility to set the price of gas at a cost which will allow them to purchase their next fuel order so the

customers may buy fuel for their cars. Section 2 of this bill would severely infringe upon that ability.

Finally, many of our retailer members could not be here to testify as they are working at their convenience stores with gas stations. However, you will be hearing from one or more of our members who will provide you with specific details as to the consequences of the proposed bill and others who are concerned about the bill's mandates.

Our convenience store members respectfully urge you to vote against HB 1136 and related bills that would penalize retailers for pricing their fuel. The state's convenience store operators are already losing related sales as consumers' budgets are tightening. We ask you not to make a difficult situation worse.

Thank you for your consideration of our concerns.

ICPA- An Act Concerning Price Gouging

48 not principally attributable to the additional costs to the person providing
49 the consumer goods or services.

50
51 The provisions of this act shall preempt any local laws or ordinances of any
52 municipality.

- 53
54 (a) Authority. – The Department of Consumer Protection and or the Office of
55 the Attorney General shall investigate complaints received concerning
56 violations of this act. If, after investigating any complaint, the Department
57 of Consumer Protection and or the Attorney General finds that there has
58 been a violation of this act, the Department of Consumer Protection and
59 or Attorney General may bring an action to impose a civil penalty and to
60 seek other relief, including injunctive relief, Unfair Trade Practices.
- 61 (b) Procedure. – Prior to the institution of a civil action, the Department of
62 Consumer Protection and or Attorney General is authorized to require the
63 attendance and testimony of witnesses and the production of
64 documents. For this purpose the Department of Consumer Protection and
65 or Attorney General may issue subpoenas, examine witnesses and receive
66 evidence. If a person objects to or otherwise fails to comply with a
67 subpoena or request for testimony, the Department of Consumer
68 Protection and or Attorney General may file in Court an action to enforce
69 the subpoenas or request. Notice of hearing of the action and a copy of
70 all pleadings shall be served upon the person who may appear in
71 opposition.
- 72 (c) Confidentiality. – Any testimony taken or material produced shall be kept
73 confidential by the Department of Consumer Protection and or Attorney
74 General except to the extent he may use information in a judicial
75 proceeding or if the disclosure is authorized by the court for good cause
76 shown or confidentiality is waived by the person being investigated and
77 by the person who has testified, answered interrogatories or produced
78 materials.
- 79 (d) Restitution. – The Department of Consumer Protection and or Attorney
80 General may seek to recover for the benefit of each aggrieved
81 consumer, either the actual monetary loss from each violation, or up to
82 \$500 in damages for each violation, whichever is greater, from any person
83 in the chain of distribution whose conduct violates the provisions of this
84 act.
- 85 (e) The total amount that may be recovered from any person in the chain of
86 distribution for a violation of this Act, under this or any other law including
87 the Unfair Trade Practices, and whether in the nature of a civil penalty or
88 restitution is, or both, is \$25,000 per day. The Department of Consumer
89 Protection and or Attorney General has the sole right to enforce any
90 violations of this act.
- 91 (f) Period of Limitations. – No action to enforce this act may be brought by
92 more than two years after the date the alleged violation occurred.
- 93
94

ICPA- An Act Concerning Price Gouging

95 A trade association, corporation, partnership, person, or other entity may register
96 an agent for the purposes of being notified when the Governor declares and
97 ceases a state of disaster emergency declaration. The Governor or designee is
98 responsible for notifying the registered agents simultaneous to the declaration
99 and cessation of the state of disaster emergency declaration.

100

101

Statement of Fact

102 This measure clarifies the definition of price gouging currently absent from the
103 statutes of the state.

RICHARD BLUMENTHAL
ATTORNEY GENERAL



55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120

Office of The Attorney General
State of Connecticut

*TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE GENERAL LAW COMMITTEE
FEBRUARY 15, 2007*

I appreciate the opportunity to urge the committee's rejection of Senate Bill 1137, An Act Concerning Price Gouging.

This legislation weakens our current gasoline and heating oil price gouging statute by limiting the prohibition on price gouging to circumstances where the Governor has declared an energy resource market disruption emergency. The Governor must find that the energy resource is in short supply or there is a threat that the resource may be in short supply.

Senate Bill 1137 would have prevented my office's enforcement actions against against gasoline companies that, in some cases, quintupled their profit per gallon after Hurricane Katrina hit the Gulf Coast. Gasoline prices skyrocketed in anticipation of the impact of Hurricane Katrina on oil supply. The current law prohibits price gouging when there is any stress to an energy resource market resulting from weather conditions, acts of nature, failure or shortage of a source of energy, strike, civil disorder, war, national or local emergency, oil spill or other extraordinary adverse circumstance. It was clear that the impending impact of Hurricane Katrina had already affected the oil markets.

Senate Bill 1137 requires a Governor's declaration if the energy product is in short supply or threatened short supply. It is not clear that the Governor could have issued a declaration prior to Hurricane Katrina hitting the Gulf Coast, even though the markets had already dramatically increased the price of oil.

Further, Senate Bill 1137 prohibits increasing prices more than 15% higher than the highest price charged for such energy resource within seven days of the emergency declaration. This does not adequately protect consumers. Retailers and wholesalers would be allowed to dramatically increase prices ahead of a gubernatorial emergency declaration and then use those inflated prices as a baseline to charge up to 15% more. Under current law, a seller cannot charge more than the price immediately prior to the market disruption except for taking into account any increased costs.

Current law adequately protects consumers. Senate Bill 1137 weakens our price gouging statute. I urge the committee to reject Senate Bill 1137.

JOINT
STANDING
COMMITTEE
HEARINGS

GENERAL LAW

PART 3
614-917

2007

January 15, 2007

Lori Valimont
66 Winterbrook Rd
Wolcott, CT 06716-1341

To: The Honorable Thomas Colapietro, Co-Chair
The Honorable Christopher Stone, Co-Chair
The Honorable Paul Doyle, Vice Chair
The Honorable Ed Jutila, Vice Chair
Ranking Members
Committee Members
General Law Committee

RE: HB- 5033 An Act Concerning Apprentice to Journeyman Ratios for Plumbers

Good Afternoon,

My name is Lori Valimont. I am the Office Administrator for All American Heating and Air Conditioning, which has been active in the apprenticeship program since 1988. One of my duties is overseeing the apprenticeship program, so I have first hand experience dealing with this journey person to apprentice ratio. It is my hope that you will consider changing the current ratio to one journey person for one apprentice.

I have always had a hard time understanding why the trades have an outrageous hiring ratio. If safety is the reason, the current ratio won't reduce accidents on the job, it is our experience that proper safety training will. That can easily be achieved with a one to one ratio.

If the ratio is so important then why are companies allowed to apply for out of ratio relief? What changes? The application simply asks how many journey people a company has and how many times a company has applied for out of ratio. Why not alleviate that tiresome process and change the ratio?

On the Connecticut technical schools web site it lists 20 technical schools. Of these schools 17 offer some form of plumbing, heating and air conditioning training. * The mission of the Connecticut Technical High School is to provide a unique and rigorous high school learning environment that:

- ensures both student academic success, and trade/technology mastery and instills a zest for lifelong learning.
- prepares students for post-secondary education, including apprenticeships, and immediate productive employment;
- responds to employers' and industries' current and emerging and changing global workforce needs and expectations through business/school partnerships.

These schools are living up to their mission statement. I know because a lot of their graduates come to me for jobs. They come to me eager to work and learn. I would love to give a greater number of them a chance. Our company employs 50 + people and we offer health, dental and life benefits, a 401K with a 50% match, vacation and holidays as well as Christmas bonus' regardless of how long you have been with us or in what capacity. It is a safe place to work and learn. But I can't hire them. The current ratio won't give me the freedom to match my journey persons to an apprentice. So the state is lying to these people. They are preparing them for apprenticeship positions that don't exist thanks to the current hiring ratio. Some of them will be lucky. They will be the few who fit into this ratio that has been created by the state. Some of them will be forced to work at jobs that do not count towards their hours which may discourage them from completing their trade. We have a serious shortage of journey people in this state. Why aren't we doing something positive to address it? We have begun the campaign to educate our young people in the trades. We are spending the money and we have people proud again to be pursuing a trade and then we slam the door on them when it comes to jobs. We make it impossible for them to complete their training. That is why the current ratio is unfair. There are several pages of companies that are listed on the Department of Labor web page that participate with the State Apprenticeship Training program for plumbing, heating and air conditioning. They are willing to put forth the time and effort needed to train these future trades people. If you change the current ratio to one journey person for one apprentice, just think of the opportunities you will be creating for our graduating apprentices. We will be able provide them with an apprenticeship and begin to fill the current void with competent journeypersons.

Thank you for allowing me to share my opinions with you on this matter. I am confident that you will do what is right for the future trades people of this state.

000616



HOME BUILDERS ASSOCIATION OF CONNECTICUT, INC.
1245 FARMINGTON AVENUE, 2nd Floor, WEST HARTFORD, CT 06107
Tel: 860-521-1905 Fax: 860-521-3107 Web: www.hbact.org

*Your Home
Is Our
Business*

February 15, 2007

To: Senator Tom Colapietro, Co-Chairman
Representative Chris Stone, Co-Chairman
Members of the General Law Committee

From: Bill Ethier, Executive Vice President & General Counsel

Re: **Proposed Bill 5033, AAC Apprentice to Journeyman Ratios for Plumbers**

The HBA of Connecticut is a professional trade association with almost one thousand three hundred (1,300) member firms statewide employing tens of thousands of CT's citizens. Our members are residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to this diverse industry. Many of our associate members are in the licensed trades and our builder and remodeler members routinely hire the licensed trades to construct new homes or renovate existing homes. All of these licensed trade employers require apprentices to grow their workforce.

The HBA of Connecticut has long supported changing the hiring ratio in the licensed trades to a one to one ratio from the nonsensical three to one ratio. However, this change should take place for all licensed trades and not be limited to plumbers. Therefore, our testimony on Proposed Bill 5146, AAC Apprentice to Journeyman Ratios, also before you today, more fully explains our reasons for our position. While we support PB 5033, we ask the committee to strongly consider adopting PB 5146 for all the licensed trades.

Thank you for considering our position on this matter.

**The International
Brotherhood of
Electrical Workers**

Memo

To: Members of the General Law Committee
From: The International Brotherhood of Electrical Workers
Date: February 20, 2007
Re: February 15th's General Law Public Hearing

During the General Law Committee's February 15th public hearing the committee heard testimony pertaining to **PROPOSED H.B. 5033, AAC APPRENTICE TO JOURNEYMAN RATIOS FOR PLUMBERS**, and **PROPOSED H.B. 5146, AAC APPRENTICE TO JOURNEYMAN RATIOS**. One our members, Paul Costello, quoted from the State's Apprentice Council Report during his testimony, at which time a member from the committee requested a copy of this report.

Attached please find a copy of the above mentioned report and a copy of a ratio relief form that was referred to at numerous times by several individuals throughout the day.

We look forward to working with you on these, and other, legislative issues.



N.E.C.A & LOCAL 90 J.A.T.C.

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Testimony of the International Brotherhood of Electrical Workers General Law Committee

Thursday February 15, 2007

Senator Colapietro, Representative Stone, members of the General Law Committee, my name is Paul Costello Apprenticeship Director for the International Brotherhood of Electrical Workers and National Electrical Contractors Association Joint Apprenticeship Training Committee. I am here to express our opposition of House Bill 5033 An Act Concerning Apprentice to Journeyman Ratios for Plumbers, and House Bill 5146 An Act Concerning Apprentice to Journeyman Ratios.

House Bill 5033 and 5146 if passed would destroy the proven method of training skilled workers through apprenticeship. The current system allows an employer to hire and train apprentices in the occupation they are registered to learn the skills of the trade, giving them the skill needed to be a competent journeyman. The intent of the Bill is to increase the number of apprentices an employer may hire, while this may sound good, apprenticeship is not for just about hiring new employees at low wages.

In order for an apprentice to get the skills, knowledge and abilities required to learn the trade they must complete a required number of related classroom instructional hours and required on the job training hours. The current system allows an approved sponsor to hire apprentices. There is a ratio that allows the employer to hire an apprentice to work under their license, if they hire another journeyman or licensed employee they can hire an additional apprentice. They may hire an apprentice for every third licensed journeyman after that. The employer may apply for ratio relief if they can prove that they qualify for a waiver of the ratio.

As Director of an electrical apprenticeship program my greatest fear is receiving a phone call that one of our 100 apprentices registered in our Program was injured or worse killed while working. By eliminating the current language with the ratios that apply to the occupation you would be allowing apprentices who may not be qualified to perform a task to be working unsupervised or just as worse working along side of another apprentice that does not have the degree of training yet. If I was an electrical contractor equal to the size of the General Law Committee each of the 19 members holding an electrical license I would be able to employ 7 apprentices. This would allow me to safely and properly train those apprentices under the direct supervision of a journeyman.

In construction conditions jobsites change constantly, manpower needs shift during the workday. Some of the factors that are encountered are delays, weather conditions, and illnesses any of these variables may lower the amount of journeymen that the apprentices work with. The potential to have more apprentices on a jobsite working together unsupervised would increase if there were not a ratio in effect. This is not a safe working condition; it does not provide an apprentice the opportunity to learn his or her trade properly.

The IBEW & NECA JATC's of Connecticut are proud to be able to say that we successfully completed over a 150 apprentices that have recently received their journey person license. That is approximately 40% of the 388 recorded by the Department of Labor. We have better than an 85% completion and retention rate in our Programs. The IBEW and NECA JATC's offer apprentices careers in the electrical industry, not just a short term job.

I urge you to oppose House Bill's 5033 and 5146. William Fitzgerald the father of the National Apprenticeship was quoted as saying "Vocational training is an important way to give young people an opportunity to better themselves" we should keep the to the intent of that. We should not exploit young workers as cheap labor but train them properly with the skills to learn a craft and make a good living safely.

Respectfully,



Paul Costello

JATC Director

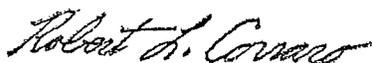
Committee Members,

I am writing to you as a member of the CT State Apprenticeship Council and as a member of the Apprenticeship Ratio Relief Advisory Sub-Committee. The State Apprenticeship Council has in place an effective program call the Ratio Relief Program, which entitles companies the opportunity to hire additional apprentices when needed and maintain compliance with Apprenticeship regulations.

This Program was instituted back in the early nineties, when it was determined by the Department of Labor, companies operating with a one to one ratio showed a significant drop in Apprentice completion rates. There was also a noticeable increase in prevailing wage and licensing violations with companies operating with these ratios. I have attached a summary copy for your review.

I encourage you not to support any legislative proposals which will impact the current apprenticeship ratio program we have in place.

Respectively submitted,



Robert L. Corrado
CT State Apprenticeship Council Member

MEMORANDUM
APPRENTICESHIP HIRING RATIO (continued...)
January 20, 1994

In 1984, it was the conclusion of both Commissioner Peraro and the Council that the pilot was actually having a negative effect on apprenticeship. This was documented in the high incidence of apprentice turnover and a lower completion rate. Commissioner Peraro returned to a three-to-one ratio with two exceptions; (1) sponsors who were already "out-of-ratio" could continue so layoffs would be avoided, and (2) "out-of-ratio" would be allowed to a sponsor if the apprentice was previously registered or the individual to be registered was a vocational school graduate.

However, this reversion to the prior policy was short lived and a decision to continue the blanket one-to-one hiring ratio was extended for an additional two years. This extension continued and is still in effect today.

The out of ratio approval process has continued to the present. The Department has noted that many contractors have been using a full complement of apprentices, not for the purpose of training and producing skilled journeypersons, but to underbid contractors on prevailing wage construction. Violations involving apprentices working without journeyperson supervision are prevalent.

One-to-one situations are not producing apprenticeship completions, but are hindering graduate apprentices (journeypersons) from obtaining employment in construction. A recent study by the Department revealed that since September 1, 1990, a total of 4909 apprentices were registered; 3172 of these individuals were registered for the first time in an apprenticeship program. A total of 2939 apprentices were terminated during this same time frame with 2316 completed. While these figures obviously coincide with an economic downturn in the state's construction industry, they also depict a serious erosion in the integrity of Connecticut's apprenticeship program. Simply put, most workers entering apprenticeship programs in this state are not receiving the training, supervision and support they need to advance to journeyperson status.

In 1990, consensus built in the apprenticeship community around a sliding scale approach to ratio, which was to be incorporated into DOL's apprenticeship regulations. However, for a variety of reasons, there have been delays in a determination of legal sufficiency for these regulations. Beyond these delays, there are also concerns that the approach to ratio in the draft regulations ~~would not necessarily have averted the problems identified (e.g. completion rates) in the recent study.~~

MEMORANDUM
APPRENTICESHIP HIRING RATIO (continued...)
January 20, 1994

Most recently, four occupational licensing boards have corresponded with the Department voicing their concerns that (1) DOL should stop granting out-of-ratio requests which conflict with their regulatory requirements, and (2) if DOL feels such approvals are necessary, the licensing board with jurisdiction should be consulted.

Recommendation

It is the Department's view that the best solution to the ratio question is an individualized case-by-case approach. Indeed, this approach is supported by the current regulations. Section 31-51d-5(1) of the Regulations of Conn. State Agencies states, in part:

An apprenticeship program, to be eligible for approval and registration by the department, shall conform to the following standards:

(1) Provision for the numeric ratio of apprentices to journeypersons consistent with proper supervision, training, safety, and reasonable continuity of employment, and applicable provisions in collective bargaining agreements. Each program's ratio requirements are reviewed based on such factors as specific trade requirements, availability of skilled personnel, previous training history, economic factors, affirmative action efforts and such other factors which may be pertinent to a successful program operation.

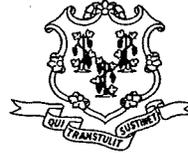
Specific requests from individual sponsors should be examined through a set of objective criteria which insure that the factors enumerated above in the regulation are fully considered. This criteria should be developed with advice from the Council. A subcommittee of the Connecticut State Apprenticeship Council should be appointed to review, on a monthly basis, requests from sponsors who wish to exceed the established ratio. The established ratio in trades that are not occupationally licensed is the federally-recognized standard which currently exists as department policy:

one journeyperson allows one apprentice indentured (1-1)

two journeypersons allows two apprentices indentured (2-2)

five journeypersons allows three apprentices indentured (3-1)

State of Connecticut
GENERAL ASSEMBLY



GENERAL LAW COMMITTEE

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GENERAL LAW

February 20, 2007
12:15 p.m.

PRESIDING CHAIRMAN: Representative Stone

COMMITTEE MEMBERS PRESENT:

SENATORS: Colapietro, Doyle,
Caligiuri, Fasano, GomesREPRESENTATIVES: Aman, Greene, Esposito,
Ferrari, Janowski,
Johnston, Jutila, Mazurek,
Megna, Nicastro, Panaroni,
Ryan

SENATOR STILLMAN: According to the Department of SB878
Consumer Protection Division of Liquor Control
for the 2005 calendar year, they conducted
approximately 1,102 inspections of proposed
permits for new premises and permit renewal
premises within the state and within the same
year, 460 completed investigations were
forwarded to the Legal Division for recommended
administrative proceedings.

The Liquor Control Division sees compliance
checks as an enforcement tool and there were
531 locations tested. One hundred ninety-three
of those locations failed, or roughly 36%, more
than one third, and placed the public at risk.

In 2005, the Commission imposed fines of more
than \$664,000 on 136 permittees for violations
of state liquor laws. I believe that Senate
Bill 878 can serve as a great tool to educate

employees of those establishments and others so that the public is safer and the owners of these establishments can do the right thing.

I know there are programs in other states that can train the trainer. I don't see why we can't do that here, and they in turn can train the employees in the bars and restaurants, etc. And that will certainly cut down on the expense.

The reality is that you cannot put a price tag on saving people's lives, and I urge you to listen to the folks who will follow me to testify on Senate Bill 878.

I believe they have the expertise, the knowledge, the experience, and the history of working with this particular issue for many years, and that you will ultimately act favorably on this bill.

I thank you very much for this opportunity to hear the Senate Bill 878, because I think when there are, as you know, so many bills around the Legislature this year concerned about whether it's drunk driving or serving alcohol and trying to protect the public, and in many instances our young people as well.

Certainly, when you look at some of the drunk driving laws, but it all works together and I think it is an opportunity to collaborate on a variety of different ways to address the issue of DUI problems.

REP. STONE: Thank you very much, Senator, and thank you for your hard work on this bill. I know that certainly as a member of the Committee this was one of your main initiatives, and it continues to be.

And I appreciate your persistence, and hopefully, we can get something done this year as a Committee, not you, as a Committee. Anyone have any questions or, yes, Representative Greene.

REP. GREENE: Thank you Mr. Chairman. Senator Stillman, how are you?

SEN. STILLMAN: I'm fine sir. How are you?

REP. GREENE: Good. I'm reading the bill here, and it looks as though what you're looking to do here is not mandate that all establishments have this training unless they fail a compliance test. Is that correct?

SEN. STILLMAN: Correct, which is why my testimony, I touched on that issue of compliance. If someone is out of compliance, here is a great opportunity to know what businesses, companies are having some problems, and say that in order for you to get your permit reinstated, we expect you to do such and such.

So because I think if they are out of compliance, it shows that there's a problem with that business, and this could be an opportunity to address the problem.

REP. GREENE: I know in previous sessions that we've had it almost was like mandated on everybody,

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but this seems to be a lot more reasonable. If somebody is found out of compliance or causing a situation, a problem, that this would be a reasonable response.

SEN. STILLMAN: Yeah, and you know, and I believe that the business should be the one that foots the bill, quite frankly, because we want that business to run as safely as possible. And it could be that paying for some of your employees to go to an appropriate class could be far less than paying a fine, so--

REP. GREENE: Probably in the very--

SEN. STILLMAN: Those are some of the details that need to be worked out.

REP. GREENE: Probably in the very least, if they would look at this as the alternative, they might be a little be more responsible.

SEN. STILLMAN: Correct.

REP. GREENE: Thank you, Senator.

SEN. STILLMAN: Thank you, Representative Greene.

REP. GREENE: Thank you, Mr. Chairman.

REP. STONE: Thank you, Representative Greene. Anyone else? Senator, if I may, in the proposed bill it refers to the failure in a compliance check. And I'm not familiar, I'll ask the Commissioner or his staff if they testify in this or another bill about this, but compliance check to me would mean that it's not just a compliance check for whether alcohol was served to a minor, but a compliance check on

any one of a number of issues, perhaps some of them unrelated to the service of alcohol to a minor.

And so would you suggest that the compliance checks, or the failure, has to be related to the sale of alcohol to a minor as opposed to, as Mr. Duffy pointed out, as opposed to not having a back door locked, or not having liquor in a restaurant secured in a separate facility, and the likes, limited to the issue at hand? What would you say about that?

SEN. STILLMAN: Well, I really think it depends on the violations that the business is being questioned about. Because I think just to limit it to those who are not living up to, well, I shouldn't put it that way, to those businesses that are being considered noncompliant because they served alcohol to a minor.

I don't think that should be the only reason. There could be other egregious violations that sort of send a message that maybe the business is sloppy, and the business, we need to check on this as well.

Are they, you know, it can happen even with any kind of violation of the law where someone is violating one aspect of the law and they find out, well, wait, where else could there be violations.

So I just think it's an opportunity to sort of get in the door, and say, and look at the total

picture in terms of the businesses' responsibilities.

SEN. STONE: Okay. All right. Thanks. Anyone else? Senator, thank you so much for your testimony today.

SEN. STILLMAN: Thank you, Sir.

SEN. STONE: Next up is, hang on just a second. Matt Ravenelle? Good afternoon.

MATTHEW RAVENELLE: Good afternoon Representative, Senator Colapietro, and Representative Stone, Co-Chairs of the General Law Committee, and distinguished members of the General Law Committee. My name is Matthew Ravenelle, Legislative Intern for Representative Walter Pawelkiewicz, and I will be testifying on House Bill 6626.

First, thank you, Mr. Chairman, and other members of the General Law Committee for your time and consideration in hearing this bill, which was requested by Susan Collins, a constituent of Representative Pawelkiewicz.

The reason why Representative Pawelkiewicz proposed House Bill 6626, AN ACT CONCERNING DRUG TEST BLOCKERS, is to eliminate the advantage drug users have when applying for a job by prohibiting the sale of products designed to falsify hair toxicology tests.

One of the products that the state should ban is the retail of shampoo used to wash out the presence of illegal drugs in the user's hair. Many companies use drug tests as a hiring tool.

Many use a urine test, while others perform a test on the applicant's hair to determine if he or she has used illegal substances.

By using these test blocking items, people are able to circumvent the drug test and are hired by testing negative. Some may continue their drug use while on the job and possibly put coworkers at risk.

And also, since being drug free is often a condition of parole, drug test blockers make the presence of drugs when taken by individuals on probation.

At least 13 states outlaw various forms of interference in drug testing. These laws generally make it a crime to manufacture, sell, advertise, market, distribute, or possess blocking agents, or devices with intent to defraud a test.

Representative Pawelkiewicz asked that Connecticut also establish these types of laws by banning the sale of drug blocking shampoos. The process by which the hair test works is that it isolates specific drugs and metabolites that form when the drug is ingested or comes in contact with the hair. Such a test can determine if a person has used illegal substances in the last three months.

The shampoo this bill is proposing the state bans removes these traces and masks the metabolites that would result in a positive test for marijuana or other illegal drugs. Florida, New Jersey, and Kentucky outlawed the

sale of any product designed to defraud or falsify a drug test.

Connecticut should at least outlaw the sale of drug test blocking shampoos. Thank you for the opportunity to testify before you on the need to ban drug test blockers.

SEN. STONE: Thank you very much, Matt. Does anyone have any questions of Mr. Ravenelle? Hearing none. Thank you for stepping in for the good Representative. You did a nice job. Thank you.

MATTHEW RAVENELLE: Thank you, Representative.

SEN. STONE: Mr. Dobson.

DONN DOBSON: Good afternoon. Thank you for letting me speak today. I represent the General Law Committee. My name is Donn Dobson. I'm the fire marshal for the Town of Old Saybrook. I am also a member of the Connecticut Fire Marshal's Association Board of Directors.

I'm here today to speak in strong opposition of Proposed Bills 7137 and 7138, AN ACT CONCERNING LIQUOR LICENSE RENEWALS AND FIRE CODE INSPECTIONS.

Here we stand today, literally today, on the fourth anniversary of the Station Nightclub fire in West Warwick, Rhode Island, killed 100 people and injured over 200. Eight of those killed were from Connecticut.

The Station Nightclub fire became the third most deadliest fire in U.S. history behind the Coconut Grove in 1942, which killed 492, and the Beverly Hills Supper Club, which killed 164.

The State of Connecticut already owns its own distinction for the Hartford Circus Fire in which 164 people died. Growing up, my father used to tell me stories about that fire and how he brought bodies out of that fire, many of those who were unrecognizable as we know.

Several were assigned numbers and were never truly identified. As a result, from a historic point of view, the State of Connecticut and the Legislature at the time made sweeping changes with regard to fire safety in general. These changes revolutionized fire safety and made the State of Connecticut one of the safest states in the United States.

Statistically, Connecticut rates as one of the lowest states with fire-related deaths, especially commercial structures. These statistics are measured in two ways, by injuries and burns, and in deaths. This is due in large part to the fire marshals' annual inspections.

One of the tools a fire marshal has is the ability to inspect bars and restaurants on an annual basis for fire code compliance. Let me take a minute to help you understand this process.

A bar or restaurant must comply with not only fire code requirements, but health and liquor commission requirements. These establishments receive a renewal application approximately six weeks prior to their liquor permit expiring.

This means they have a month and a half to make contact with the fire marshal and make arrangements for an inspection. I do, on average, over 60 annual liquor permit-related inspections on a rotating basis.

These establishments have a reasonable amount of time to either fix their problems or work on a plan of compliance with a fire marshal. Many times these violations are as simple as replacing new bulbs in exit signs.

But some of these establishments don't revere your safety as much as they do the bottom line. Many places jeopardize the safety of occupants to increase their sales with full knowledge that bad things can happen.

Many of these violations are blatant with full knowledge of the owners. Some violations are more serious, such as the installation of interior finishes, blocked exits, the turning off of sprinkler or fire alarm systems, or construction without proper building permits.

Many times these places have serious fire code violations and one of the tools the fire marshals has is the ability to deny that establishment for fire code violations. This is something you don't hear about because the problem or solution is averted.

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A near miss is something that should make the news, not the number of deaths. The barometer we use to test the effectiveness is the number of deaths, not the number of saves. There is no in between when it comes to fire safety. This is a distinct line.

This process has been in place of inspecting establishments for liquor permits was instituted in the late 80's, and has shown to be very effective in keeping places of assembly safe.

I find it hard to believe I am here in my own state testifying before you against a bill that would actually eliminate the requirement for fire marshals to inspect establishments for fire code violations.

The State of Connecticut has always been a leader when it comes to fire safety. Let's please try to keep it that way. Thank you for your time today on letting me speak on this issue.

SEN. STONE: Senator Colapietro?

SEN. COLAPIETRO: Yeah, thank you for testimony. Just real quickly on Raised House Bill 7137. That bill was made for a restaurant that is all in compliance with everything that you are asking for, only they can't get somebody to come over there and inspect so that they could have their permit renewed.

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Do you have a faster way of doing it or a reason that you're actually opposed to that?

DONN DOBSON: I think the timeframe either way, I mean, 20 days, quite honestly, I mean I think 6 weeks, you know they have a month and a half to make compliance changes.

If there is, and I didn't bring it with me, but I can supply it with you at a later date. There's a form, a general form, that we use in the State of Connecticut for certifications, one of them being for liquor permit inspections.

To answer your question in terms of the speed, they receive, I do 60 in the town where I work. I also work at two other municipalities, and I know, having been in this business, it's more than ample time to try to get many of these things in place.

Part B of that would be that we, for the most part, depending on the history of the establishment, generally try to work with the folks in those establishments in trying for a plan of compliance.

I mean there are some things that are beyond that six-week period and we have that well within the scope of the fire code to allow them to work on a plan of compliance to get to where we both need to be.

SEN. COLAPIETRO: If I may, what we're concerned about is somebody that is in compliance that just can't get somebody down there to renew.

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What are they supposed to do? Shut down and not make any money?

DONN DOBSON: And I don't think any of us want to see that happen. Quite honestly, I would think, and I don't want to put my compodres in a bad light, but I think ultimately as the onus of the towns and cities to ultimately try to get.

It has to be a two-way street. I just sent out letters to all the liquor permittees in my town just to let them know this is what is going on. We need to have X number of time across the board. We need at least a week's notice so we can get in there and plan accordingly. I mean a suggestion in terms from a legislative standpoint.

SEN. COLAPIETRO: I guess what I'm asking, if they do notify you that my liquor permit is up and I'm going to have to close down, if you don't get somebody over here soon--

DONN DOBSON: Right.

SEN. COLAPIETRO: --now you have say a week or two weeks. What happens after that time limit and the guy still trying to--

DONN DOBSON: I think then the ball is in our court. Then it's shame on us if we don't get out there to do that. If they made notification by way of phone, however means to get out, their permit has its expiration date on it. They get a renewal form, like I said, upwards of six weeks ahead of time.

But the dilemma is that these people were running their business and their liquor permit is going to expire, and they need to get your sign off in order to get a renewal.

We're trying to come up with a way, and maybe the language that we have on these two bills isn't quite what we need here, but we're just trying to come up with a way of taking care of things and making sure that the restaurants are safe and the job gets done.

Hopefully, with some more input, Tony is going to testify, I guess, and we can come to some answer for him. Thank you.

REP. STONE: Senator Fasano.

SEN. FASANO: Thank you, Mr. Chairman. I do apply for liquor permit renewals from time to time, and I have not had the experience where I have not been able to get one in time.

However, I do appreciate it that if you don't you shut down. Would you have an objection perhaps, and I'm throwing this out as Chairman, that if someone had applied in a period of time for which you inspected, if we put the onus on you to say, if you didn't do the inspection by that time, the permit automatically renewed for a year?

If you're willing to accept that responsibility that you can do it within the timeframes allotted by statute, the burden should not be borne by the restaurant owner or by the

On a broad stroke level, I would say, no, because, I mean, I think overall, once we eek that door open, we're going to open it for a bevy of problems continually going forward.

Many of these places, it's an annual type of thing where you have annual problems with them. It's not just exit signs or simple stuff of getting hoods cleaned. It's always exits blocked, new construction. It's a multitude of different things, so I think it really has been helpful to us.

I think we can arrive at some sort of compromise to make the process maybe a little bit better for everybody. You know, maybe we get a notice from the Liquor Commission on an annual basis, and this is when it's due, so that we are in parallel that we are aware of, the fire marshal's office is aware of, when these are due. So it's not just the onus of the business owners or the restaurants or bars to call us up.

That could be a possibility as well. So everybody is duly aware of what happens. This comes up, this is just one facet of it.

We have daycare inspections that have to be done every two years similar to this. Same sort of thing where you know a daycare could add on, and we run into the same sort of problems.

So I would say we could work in conjunction with them to make this problem better. But I