

**PA10-177**

**HB5223**

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**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2010**

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2220 – 2570**

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Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Rojas in the affirmative.

Representative Larson, for what purpose do you rise,  
sir?

REP. LARSON (11th):

I'd like to vote in the affirmative as well.

Thank you, sir.

DEPUTY SPEAKER McCLUSKEY:

Representative Larson in the affirmative.

Now, will the Clerk please take and announce the  
tally.

THE CLERK:

House Bill Number 5227 as amended by House "A."

Total Number voting 137

Necessary for passage 69

Those voting Yea 121

Those voting Nay 16

Those absent and not voting 14

DEPUTY SPEAKER McCLUSKEY:

The bill as amended is passed.

Will the Clerk please call Calendar 72.

REP. COOK (65th):

On page 29, Calendar 72, Substitute for House

Bill Number 5223, AN ACT CONCERNING ORGANIZED RETAIL  
THEFT, favorable report of the Committee on Judiciary.

DEPUTY SPEAKER McCLUSKEY:

The Honorable Vice Chair of the General Law  
Committee, Representative Taborsak, you have the  
floor, sir.

REP. TABORSAK (109th):

Thank you, Mr. Speaker.

I move for acceptance of the joint committee's  
favorable report and passage of the bill.

DEPUTY SPEAKER McCLUSKEY:

The question before the Chamber is acceptance of  
the joint committee's favorable report and passage of  
the bill.

Will you remark?

REP. TABORSAK (109th):

Thank you, Mr. Speaker.

I would ask the Clerk please call an amendment in  
his possession, LCO 4547 and ask that the Speaker  
allow me leave of the chamber to summarize.

DEPUTY SPEAKER McCLUSKEY:

While the Clerk please call LCO 4547 to be  
designated House Amendment Schedule "A."

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LCO 4547, House "A," offered by Representatives  
Taborsak and Shapiro.

SPEAKER DONOVAN:

The gentleman has asked to leave of the chamber  
to summarize his amendment.

Is there any objection? Is there any objection?

If not, sir, please summarize your amendment.

REP. TABORSAK (109th):

Thank you, Mr. Speaker.

The bill as amended by Amendment "A" creates the  
new crimes of organized retail theft and accessory to  
organized retail theft. Under this legislation,  
Mr. Speaker, the crime of retail theft would be  
committed if a person committing shoplifting under our  
current statutes, as shoplifting is defined; together  
in conjunction with at least other party commits  
shoplifting a property having an aggregate value  
exceeding \$2,000 and wrongfully takes such property  
during a period of 180 days.

So what that essentially means for legislative  
intent, Mr. Speaker, is that this is not your typical  
shoplifting scenario. This legislation is aimed at  
targeting shoplifting in an organized manner and  
between more than one person. And that could happen

over a period of time, up to 180 days.

Further, it would constitute the crime of organized retail theft, if a person in conjunction with another sells, delivers or otherwise transfers such property to a retail property fence as a retail property fence is defined in this legislation. This would constitute the crime of organized retail theft.

Mr. Speaker, organized retail theft is becoming a real big problem for our retailers in the state of Connecticut. Not only does it hurt them, it hurts the state of Connecticut. We lose millions and millions of dollars every year in lost sales-tax revenue due to this criminal activity. When we talk in this chamber about doing -- of the need to do more legislation to help our businesses, well, this is a bill that comes to us that is a product of bipartisan work and also close work with our Connecticut retailers.

They've been advocating for this bill for a number of years. I think that we should help them out and get this legislation passed so that both Connecticut retailers and our state prosecutors have a tool to go after and try to curve this criminal activity.

I move adoption.

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DEPUTY SPEAKER McCLUSKEY:

The question before the chamber is adoption of House Amendment "A."

Will you remark? Will you remark further on House "A?"

If not, I will try your minds.

All those in favor of House "A," please signify by saying, aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER McCLUSKEY:

All those opposed, nay.

Ayes have it. House "A" is adopted.

Will you remark further on the bill as amended?

The gentle ranking member of the General Law Committee, Representative Bacchiochi, you have the floor, madam.

REP. BACCHIOCHI (52nd):

Thank you, Mr. Speaker.

Mr. Speaker, I'm happy to say that I think this is an excellent bill. I want to thank the vice chair and the chairman for their hard work on this. It's a bill that has been needed in the state of Connecticut for many years and I will urge my colleagues to

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support it. Thank you.

DEPUTY SPEAKER McCLUSKEY:

Thank you for your remarks.

Will you remark further?

The distinguished gentleman from the 122nd District, Representative Miller, you have the floor, sir.

REP. MILLER (122nd):

Thank you, Mr. Speaker.

I just have a couple of -- one question really. In Milford, we had a million dollar cigarette hoist from a Montana tobacco company and it was an organized crime type of episode. And also, we had a lot in -- I think it was New London. The Pfizer company lost a million dollars worth of drugs.

Now, a lot of this stuff is going out of state. How does this amendment or bill affect people who are in various states throughout the New England region. Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Taborsak.

REP. TABORSAK (109th):

Through you, Mr. Speaker, if I understand the good Representative correctly, I'll try to answer his

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question. What this bill will do -- it bears mentioning that this legislation or similar legislation has been passed in 18 other states at this time. New Jersey being probably the closest to us.

So this is -- we're kind of joining a wave of other states that are recognizing that this is a real problem. So other states have this as a remedy. It makes sense to have it in the state of Connecticut. However, I can't exactly say whether or not this would provide prosecutors in our state with the authority to prosecute crimes outside of the state of Connecticut. I think that they would try to work in conjunction with other state attorneys and other law enforcement agencies of other states. Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Miller.

REP. MILLER (122nd):

Thank you.

I'm glad to hear that states have similar legislation. Regarding the -- I spoke about the tobacco hoist, over a million dollars of cigarettes that were taken in supposedly by the Russian mafia that ended up in a lot of stations throughout New Jersey, Philadelphia, Delaware and Maryland.

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So again, I appreciate your comments and I thank you very much.

Thank you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill as amended?

The honorable gentleman from Trumbull, Representative Rowe, you have the floor, sir.

REP. ROWE (123rd):

Thank you. Good afternoon, Mr. Speaker.

I rise in support and, just briefly, I could ask the question, which should have been asked when Mr. Vice Chairman over there brought out a -- Amendment "A." But with regard to the definition of "retail property fence," I suppose that there was a reason that we needed greater specificity in changing lines seven and eight of the underlying bill so that it wouldn't be as perhaps as broad. Is that correct?

Through you, Mr. Speaker.

DEPUTY SPEAKER McCLUSKEY:

Representative Taborsak.

REP. TABORSAK (109th):

To the good gentleman, yes, that is correct. We made a minor amendment to clarify better the

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definition of "retail property fence." We didn't want to pick up a person in a broad definition that may have simply purchased some stolen items. We wanted to make sure that when we were -- then went when we're using the term "retail property fence" that we're talking about a person that is more involved in the criminal activity, that actually has some kind of stake in it or has somehow really facilitated the crime itself. That's a good question from the good sir. Thank you.

DEPUTY SPEAKER McCLUSKEY:

Representative Rowe. --

REP. ROWE (123rd):

And a good answer from the good sir.

So I appreciate the response and the work of General Law. It's a nice little bill and a nice move forward for a problem that's evolved over the past few years. So I urge support. Thank you.

DEPUTY SPEAKER McCLUSKEY:

Thank you, sir, for your remarks.

Will you remark further on the bill as amended?  
Will you remark further on the bill as amended? If not, will staff and guests please come to the well of the House. Will members take your seat. The machine

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will be open.

THE 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.

DEPUTY SPEAKER McCLUSKEY:

Have all the members voted? Have all the members voted? Will the members please check the board to determine if your vote has been properly cast. If all the members have voted, the machine will be locked. Will the Clerk take and announce the tally.

THE CLERK:

House Bill Number 5223 as amended by House "A."

Total Number voting 138

Necessary for adoption 70

Those voting Yea 138

Those voting Nay 0

Those absent and not voting 13

DEPUTY SPEAKER McCLUSKEY:

The bill as amended is passed.

Will the Chamber please come back to order.

Will the Clerk please call Calendar 151.

THE CLERK:

On page 33, Calendar 151, Substitute for House

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THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 15, Calendar 521, House Bill 5424,  
move to place on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 15, Calendar 523, House Bill 5223,  
move to place on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 16, Calendar 531, House Bill 5004,  
move to place on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 17, Calendar 533, House Bill 5436,  
move to place on the consent calendar.

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Calendar page 10, Calendar 461, House Bill 5207;  
Calendar 483, House Bill 5244.

Calendar 484, on page 11, House Bill 5383; Calendar  
487, House Bill 5220; Calendar 488, House Bill 5297;  
Calendar 490, 5425 -- House; Calendar 496, House Bill  
5497; Calendar 509, House Bill 5126.

Calendar page 14, Calendar 511, House Bill 5527;  
Calendar 514, House Bill 5426; Calendar 516, House Bill  
5393.

Calendar page 15, Calendar 520, House Bill 5336;  
Calendar 521, House Bill 5424; Calendar 523, House Bill  
5223; Calendar 525, House Bill 5255.

Calendar page 16, Calendar 531, House Bill 5004.

Calendar page 17, Calendar 533, House Bill 5436;  
Calendar 540, House Bill 5494; Calendar 543, House Bill  
5399.

Calendar page 18, Calendar 544, House Bill 5434;  
Calendar 547, House Bill 5196; Calendar 548, House Bill  
5533; Calendar 549, House Bill 5387; Calendar 550, House  
Bill 5471; Calendar 551, House Bill 5413; Calendar 552,  
House Bill 5163; Calendar 553, House Bill 5159.

Calendar page 19, Calendar 554, House Bill 5164.

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Calendar page 20, Calendar 556, House Bill 5498;  
Calendar 557, House Bill 5270; 559, House Bill 5407; 562,  
House Bill 5253; and House Bill -- Calendar 563, House  
Bill 5340; Calendar 567, House Bill 5371; and Calendar  
573, House Bill 5371.

Mr. President, I believe that completes the items

THE CHAIR:

Mr. Clerk, could you please give me on Calendar 567,  
do you have 5516, sir?

THE CLERK:

What -- what calendar?

THE CHAIR:

567 on page 22.

THE CLERK:

It's 5516.

THE CHAIR:

Yes, sir. Okay.

Machine's open.

THE CLERK:

An immediate roll call vote has been ordered in the  
Senate on the consent calendar. Will all Senators please  
return to the chamber. Immediate roll call has been ordered in the Senate on the  
consent calendar. Will all Senators please return to the chamber.

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THE CHAIR:

Have all Senators voted? Please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

Motion is on adoption of Consent  
Calendar Number 2.

Total number voting	35
Necessary for Adoption	18
Those voting Yea	35
Those voting Nay	0
Those absent and not voting	1

THE CHAIR:

Consent Calendar Number 2 passes.

Senator Looney.

SENATOR LOONEY:

Yes, Mr. President.

Mr. President -- Mr. President, before moving to adjourn, I would like to ensure the entire chamber will wish Laura Stefon, Senator McDonald's aide, my former intern, a happy birthday.

And with that -- and with that, Mr. President, I would move the Senate stand adjourn

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As Connecticut PHVC and CHVC contractors are trying to provide jobs for their workers, they are concerned about the increasing delays in the approval process for tradespersons wishing to become qualified installers.

What we're basically saying here is what passed last year for solar and thermal is starting to work within that industry as soon as the state adopts a curriculum for their certification, and we would support and be in favor of that for the electricians as well with regard to photo voltaic.

REP. SHAPIRO: Thank you for your testimony. And just so you know, I did speak with Deputy Commissioner (inaudible) yesterday about how the certification and education part is going. It is proceeding at pace. Are there questions from members of the committee? If not, thank you very much.

JENN JENNINGS: Thank you very much.

SENATOR COLAPIETRO: Time Phelan, followed by Tommy Cleveland.

TIMOTHY G. PHELAN: Good afternoon, welcome everyone, it's our first time this year for me so it's a pleasure to see everybody again. For the record, my name is Tim Phelan, I'm the President of the Connecticut Retail Merchants Association. As you know, CRMA is a statewide trade group representing some of the world's largest retailers and the state's main street merchants. CRMA also represents the state's jewelry industry with our affiliation with the Connecticut Jeweler's Association. I'm here today on two bills if I could, Mr. Chairman.

First, House Bill 5227, which -- I think the

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title of that bill is AN ACT PROHIBITING PENALTY FEES IN CERTAIN CONSUMER CONTRACTS. As a statewide trade association representing a variety of different retailers we have reviewed this bill and as the bill is drafted we would oppose the bill. The bill would prohibit the ability of a retailer to charge a restocking, processing, handling or any other fee upon return of an item.

Restocking fees are important for retailers to prevent those customers who may not have the intention of keeping a product but rather simply want to rent the item for a short period of time. We see this in many areas of our businesses including electronics, jewelry, cell phones, video cameras and laptop computers. And we even see it sometimes in the purchase of clothing. Restocking fees protect retailers in a small way from these abuses.

Our members do the very best they can to inform customers in advance. This is particularly true with electronics, in advance that a fee will be charged. And as always with this committee, we try our best to emphasize the important relationship between retailers and their customers. And with respect to restocking fees, we feel that our members communicate this to their customers appropriately and therefore this type of legislation is unnecessary. I'd be happy to answer any questions on that bill or if you want, I could proceed to the next one.

The other bill that we're here to testify on is House Bill 5223, AN ACT CONCERNING ORGANIZED RETAIL THEFT. This is a bill that we are here to testify in strong support of. This bill has been before this committee before. We're very thankful that you've remained patient and persistent in raising it again for us this

year. I might say at my time at the capitol I've never quite seen an issue like this that for over three or four years has passed numerous committees, has gotten through one chamber or another, but for some fluke reason, each year it hasn't passed the finish line. So this year, we're hopeful again with your support that we'll report it out of committee and we'll get it passed into law.

Quite simply this bill puts in -- establishes for the first time in nature, if I can, first time in statute a definition of what organized retail crime is, places a violation on this new statute.

Now, in the interest of brevity, I'll just say that organized retail crime is no longer a growing problem for retailers, it is a major problem for retailers. And in Connecticut, our proximity in between Massachusetts and New York allows us to be particularly vulnerable to this area.

This bill would for the first time, as I mentioned, define what organized retail crime is, place a penalty on it and at least begin the process of allowing us to work more closely with law enforcement to try to get a better handle and control of this issue, which is costing our members an exorbitant amount of money and, by extension, the state loses money on lost revenue.

So I appreciate the opportunity to testify on both these bills. I'd be happy to try to answer any questions you may have.

REP. SHAPIRO: Thank you, Tim, for your testimony. I'd like to go back to the first item with the restocking fees. I understand that you said your members had felt that they disclosed their

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REP. SHAPIRO: Or support something, right? Can you say that word, "support"?

TIMOTHY G. PHELAN: Yeah, we support House Bill 5223.

REP. SHAPIRO: Fair enough.

TIMOTHY G. PHELAN: But I just want to get back to Representative Shapiro if I could. I think -

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REP. SHAPIRO: Are you sure?

TIMOTHY G. PHELAN: Yeah, well. No, I think you're right when you say that there's a balance and there is a balance and I think for my membership who's going through a very, very difficult time economically now -- that the relationship that a smaller merchant appliance dealer has with a vendor is -- varies from the size of that retailer. And so the leverage that they have with the vendor is different from retailer to retailer. So therefore, that impacts or may impact that delicate balance that you're talking about. And I think we both try to strike that balance where there's a fairness between my protection of my members, and obviously, with respect, this committee's protection of consumers. But I would only add that there is this agency that the state -- that you have jurisdiction over, that has complete focus on consumer protection, and if there were exorbitant and outrageous taking advantage of consumers, that agency would step in.

REP. SHAPIRO: Thank you for your testimony. Are there questions from the committee? If not, thank you very much.

TIMOTHY G. PHELAN: Thank you.

Government Affairs  
State Public Policy  
Industry Information

Partnerships  
Trade Services  
Retailer Services



**General Law Committee Testimony.**

**By Stan Sorkin, President**

**Connecticut Food Association**

**February 25, 2010**

**TESTIMONY IN SUPPORT of RB 5223. AN ACT CONCERNING RETAIL THEFT. Good afternoon, Chairman Colapietro, Chairman Shapiro and Members of the General Law Committee. My name is Stan Sorkin, President of the Connecticut Food Association. Our Association provides policy advice, research, legislative and regulatory services to the grocery industry in the state. Our membership ranges from single store independent operators to large chain stores.**

**Regardless of the size of the store, organized retail theft is a growing and is a major concern of the grocery industry. The incidents of theft of high value items such as baby formula and cigarettes are well documented. The industry invests heavily in security systems and personnel to prevent occurrences and apprehend the individuals who perpetrate these crimes. Obviously, the loss of high value merchandise has a negative effect on a store's profitability. This bill recognizes the seriousness of the issue and the need to combat organized retail theft.**

**The Connecticut Food Association is in full agreement of the language of RB 5223 which establishes the definition of organized retail theft, identifies the roles of the individuals initiating the theft, defines the characteristics of accessories to organize retail theft, and classifies organized retail theft as a Class C or D felony. The CFA agrees that RB 5223 will achieve its stated purpose and reduce the incidence of organized retail theft.**

**On behalf of the Connecticut Food association and its member companies, I urge you to vote YES on RB 5223.**

**JOINT  
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about this. Luce, you and I have been working on this for quite a long time and I know that you believe in what you're doing and we want to be able to support you in this process. As such, want to just thank you once again for coming out and joining us this afternoon. Senator, thank you. Mr. Chairman.

LUCE TORRES SULLIVAN: Thank you.

SENATOR McDONALD: Thank you. Is there anything from any other members of the Committee. If not, thank you very much.

SENATOR FANFARA: Thank you for your indulgence.

SENATOR McDONALD: Next is the panel I previously mentioned, Richard Michaels, Tim Phelan, Mark Green, Jan and Harold Kritzman, Michelle St. Hillaire and Bob Walters. And just so -- for any members of the public the reason we're doing this in a panel format is to try and actually expedite the testimony.

TIM PHELAN: Right.

SENATOR McDONALD: It doesn't mean you can aggregate it guys. It means you can synthesize it.

TIM PHELAN: Well we'll -- what we'll try to do, Senator McDonald is I'm going to try to get off the stage as quickly as possible and allow these folks to talk. They're the real experts. But just for the record -- I was just about to do that. For the record my name is Tim

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Phelan. I'm the President of the Connecticut Retail Merchants Association.

CRMA is the statewide trade association representing some of the world's largest retailers and the State's Main Street merchants. CRMA also represents the State's jewelry -- jewelry industry with our affiliation with the Connecticut Jeweler's Association. We are here today collectively to oppose House Bill 5472 as drafted. And as I mentioned the folks that are with me today are the real experts on why we oppose this bill.

And I'll just try to set this up by just making one or two quick comments. First of all our concerns with the bill are as you will hear is that the industry that we represent 99 percent of the time we are familiar with our customers that come through our doors. That we have processes in place that insure that stolen merchandise is not trafficated through our stores and most importantly we do not issue cash at the time a person brings in some precious metals.

In addition -- and this is a very important point, Senator McDonald and others that we'd like to clarify. Our Association is very, very concerned with the increase in activities that have -- of stolen goods taken from our stores and trafficated through pawnshops and other fencing operations. We have a bill that, Representative Shapiro, your colleague from Stamford, Senator McDonald has raised and reported out of the General Law Committee that

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seeks to deal with the issue of organized retail crime. That's House bill 50 -- 5223. Chief Sweeney is an advocate on our part of trying to tighten up the statute regarding organized retail crime. But that's a separate issue.

In this issue here tries to blend, I think, good retailers and pawnshops together when really the operations are distinctly different. So I will turn over the stage now to our speakers and they can, I think in -- in better detail explain the differences between a precious metal dealer and a pawnshop. So, Richard, do you want to begin?

RICHARD MICHAELS: Thanks. Thanks, Tim. Good afternoon, Mr. Chairman and members of the Committee. I am Richard Michaels, President of Michaels Jewelers. We operate 12 jewelry stores in the State of Connecticut. I'm here to express our opposition to House Bill 5472 for many of the reasons that Tim has just stated.

In the current laws that are on the books the precious metals law and the pawnbrokers law are two separate and distinct chapters. This bill combines the two. And I think you would agree that pawnshops and fine jewelers should not be painted with the same brush. These are different industries. Usually different clientele. Pawnshops at this point are allowed to pay cash for items.