



Consumer Watch

A Monthly Newsletter from the Connecticut Department of Consumer Protection

William M. Rubenstein, Commissioner

Dannel P. Malloy, Governor

www.ct.gov/dcp

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New Legislation Provides Significant Changes and Protections for Heating Fuel Consumers, Starting July 1, 2013

On June 6th, Governor Malloy signed Public Act 12-76, *AN ACT CONCERNING RESIDENTIAL HEATING OIL AND PROPANE CONTRACTS*, a law that provides comprehensive protections for heating fuel customers. Here are just a few of the law's provisions.

When this law goes into effect **next summer, July 1, 2013**, heating fuel dealers will generally need to produce a written contract when they sell residential heating fuel or rent or lease a heating fuel tank. Each written contract must be in plain language and include all delivery terms and conditions, fees, charges and penalties. While heating fuel and above ground tank lease contracts may be up to 36 months, 18-month contracts must be made available, and shorter terms are allowed.

Also beginning next July 1, contracts for leasing underground tanks may be up to five years, and must coincide with the length of the fuel term agreement. Automatic contract renewal will be prohibited unless the contract includes written notice that the consumer may cancel the contract. Provisions for liquidated damages, in which one party to the contract pays to another upon breach of contract, may not exceed actual damages to the dealer.

Beginning in July 2013, at the time of delivery, dealers will need to provide a delivery ticket with the unit price; total number of gallons or units sold; and the amount of any fee, charge, or surcharge printed in a conspicuous place.

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From Commissioner Rubenstein



Commissioner Rubenstein was appointed by Governor Malloy and approved by the Legislature during the 2011 Connecticut General Assembly session.

As I write this, the temperature outside is hovering at 96 degrees, so it seems strange that this month's issue leads with a story about heating fuel. But good news deserves to be shared, whenever it arises. During this year's General Assembly session, we gained approval of a bill that provides significant protections to consumers in the areas of heating fuel and fuel contracts. Due to the many provisions that require time for the industry and the agency to put into place, these major changes won't happen until July 2013, but they will be worth the wait.

Our agency continues to heat up on lots of other fronts as well; just have a look at pages 3 and 4 and all the new laws that will affect the work of the agency into the future. An issue that's always hot is that of senior scams and how we can prevent, avoid and defend against criminals preying on our older citizens. Finally, our tips for saving on air conditioning costs might help reduce the heat on your budget. Happy Independence Day, everyone.

William M. Rubenstein

How to lower air conditioning costs



As late June reminded us, Connecticut is no stranger to searing heat and sweltering humidity. More “dog days” are to be expected in July and August. While it’s likely that your air conditioners and fans are already in use, there are many simple ways to help keep your home energy costs lower this summer. Here are a few:

- Install window units so that they enjoy some shade rather than direct sun all day; this can increase their efficiency up to 10 percent.
- When turning on the AC, resist the urge to blast it on high; start at medium or low. Using a maximum cool setting immediately when you turn it on won’t cool the room any faster, but will use much more energy.
- Make effective use of fans. Fans can move cool air from one part of the house to the other, so use them to boost the effectiveness of your room air conditioners. At times when outside air is cool, such as early morning or overnight, turn off the air conditioning and position fans near windows to draw in the cool, fresh air.
- Use big appliances like washers, dryers and dishwashers only in early morning or late evening. Your air conditioner won’t have to work as hard to offset the heat produced by the appliances. Off-peak electrical use can also help you save on your electric bill.
- Maintain your air conditioner throughout the season, because clogged filters increase energy use. Clean the filter on window and central air conditioners at least monthly; weeks with high pollen or dust levels are also a good time for filter cleaning.
- Replace filters as needed. Clear debris from outside louvers and coils, and outside, keep plants and shrubs at least two feet from the condenser.
- Reduce the use of incandescent light bulbs, which emit a great deal of heat. Leave the lights off whenever possible, and enjoy natural daylight as much as possible. Also consider replacing incandescent bulbs with compact fluorescent lights, or CFLs. They use about 75% less energy and give off 75% less heat than incandescent bulbs.
- Make full use of your existing awnings, shades, and blinds to keep sunlight from entering your home, especially in west and south-facing windows. Invest in shades for rooms that don’t have them.
- “Summer-ize” your home. Adding insulation and sealing air leaks help keep you comfortable year-round and can also lower your energy bills by hundreds of dollars a year. Start by insulating the attic or adding to the insulation already there.

True or False? *Answer, page 4*

After years of steady increases in the incidence of fraud and identity theft, current levels seem to be stable.
True or False?

Want to Help Older Family Members Avoid Fraud? *Talk About It.*

Each year, the Department of Consumer Protection and the Federal Trade Commission (FTC) receive thousands of complaints from older consumers who have been the victims of fraud. Through a pilot project it runs, the FTC has found that older consumers who have been defrauded need to talk about their experiences, are ashamed and devastated about what happened to them, and are terribly anxious about how they will get by after the substantial financial losses they have experienced.



It's important for families and friends to have conversations about fraud with older adults, before an incident happens, **and after**. Frequently ask the seniors in your life if they've heard about the latest scams in the news, such as chimney scams, grandparent scams, travel scams, and others. Help them to know how to turn down an offer, how to just hang up if a caller is overly persistent, and who to call for advice. If a family member has already been a victim, help advocate on their behalf and offer assurances that they are not alone, this is a nationwide problem, and that they will be ok.

While the Department and similar agencies and organizations have successfully stopped hundreds of schemes targeting older consumers, how can we all better protect against elder fraud? As with many ills, it seems that prevention is still the best cure. Visit or talk to older relatives, neighbors and friends about fraud and scams. Remind them to watch out for and resist solicitations like the following, and to tell you if they are confronted by one of these scenarios.

- Any attempt to get personal information, e.g., a Social Security number, bank account or driver's license number.
- Any call, mail or email demanding that they act immediately. Watch for "limited-time offers."
- Any offer that demands an up-front fee.
- Anything that comes with a "free" meal, trip or gift.
- Investments that claim to offer a high rate of return that's either "guaranteed" or "no risk."
- Solicitors who are aggressive or who urge someone "not to tell their family."
- Anyone who claims to be a "senior/retirement specialist" but who is *not* a certified financial planner, lawyer or chartered financial analyst.

Your routine reminders are important preventive tools. Here are several more online resources that can help.

- **Health-Related Scams:** Basic overview plus resources to find reliable sources of information on health topics important to older consumers.
- **Staying Safe Online:** Publications and websites to help people be safe, secure and responsible online.
- **Sweepstakes and Lottery Scams:** This back issue of Consumer Watch explains.
- **Telemarketing Scams:** Learn the ways criminals use the phone to commit many different types of fraud.

Bills Passed in the 2012 General Assembly Session That Affect the Work of the Department of Consumer Protection

During the 2012 session, the General Assembly passed and Governor Malloy signed the following Public Acts into law. For a summary of each bill, please visit the Department's website.

Public Act 12-17	AN ACT CONCERNING COMPETITIVE ALCOHOLIC LIQUOR PRICING AND HOURS OF OPERATION
Public Act 12-55	AN ACT CONCERNING THE PALLIATIVE USE OF MARIJUANA
Public Act 12-95	AN ACT CONCERNING THE LICENSURE OF FOOD MANUFACTURING ESTABLISHMENTS.
Public Act 12-76	AN ACT CONCERNING RESIDENTIAL HEATING OIL AND PROPANE CONTRACTS
Public Act 12-18	AN ACT CONCERNING PENALTIES FOR THE VIOLATION OF MECHANICAL CONTRACTOR REGISTRATION REQUIREMENTS
Public Act 12-122	AN ACT REQUIRING CHANGES TO THE RESIDENTIAL PROPERTY CONDITION DISCLOSURE REPORT
Public Act 12-169	AN ACT CONCERNING REGISTERED INTERIOR DESIGNERS
Public Act 12-36	AN ACT CONCERNING CHANGES TO THE FUNERAL SERVICES STATUTES
Public Act 12-12	AN ACT AUTHORIZING FLAVORING AGENTS FOR PRESCRIPTION PRODUCTS.

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Heating Fuel, *continued from page 1*

On tanks that are leased to consumers, a printed contract will need to be produced which describes the tank, indicates the installation charges, lists the amount and timing of rental or loan payments, specifies the manner in which the dealer will credit the consumer for any unused heating fuel, and offer terms by which a consumer may terminate the contract.

Consumers who lease an above-ground tank through an oral agreement with a fuel dealer will be able to cancel the relationship without having to pay a penalty or tank removal charges, and without forfeiting the unused heating fuel.

A dealer who violates the prohibition against selling residential fuel oil or propane without printing the unit price, total number of units sold, and the amount of any delivery surcharge on the delivery ticket will be fined up to \$ 500 for a first offense, up to \$ 750 for a second offense occurring within three years of the first offense, and up to \$ 1,500 for a subsequent offense occurring within three years of a prior offense. These penalties will apply to violations of the law concerning contract provisions, guaranteed price plans, delivery, availability, payment plan, advertising, and registration requirements as well.

Violating retail contract, delivery, and tank provisions of the new law will now also be considered an unfair and deceptive trade practice (CUTPA), punishable by a fine of up to \$ 1,000, up to one year imprisonment, or both.

Finally, the Department of Consumer Protection is authorized to adopt regulations that:

- establish a consumer bill of rights regarding home heating dealers;
- require dealers to provide consumers with such bill of rights prior to entering a contract; and
- permit dealers to post the bill of rights on their web sites or include it as a taped recording for consumers who call the dealer's office.

Passed in the 2012 General Assembly Session (continued)

Public Act 12-79	<u>AN ACT PROHIBITING TELEMARKETERS FROM TRANSMITTING INACCURATE OR MISLEADING CALLER ID INFORMATION</u>
Public Act 12-113	<u>AN ACT CONCERNING CERTIFICATION AS A COMMUNITY ASSN. MANAGER, LICENSURE AS A REAL ESTATE BROKER OR SALESPERSON AND THE DISPLAY OF AN OBJECT RELATED TO RELIGIOUS PRACTICE OR BELIEF ON THE DOOR OR DOOR FRAME OF A CONDOMINIUM UNIT</u>
Public Act 12-15	<u>AN ACT EXPANDING THE "ONE FREE ITEM" RETAIL SALES LAW</u>
Public Act 12-160	<u>AN ACT CONCERNING OFF-TRACK BETTING BRANCH FACILITIES</u>
Public Act 12-4	<u>AN ACT CONCERNING A CAP ON THE PETROLEUM PRODUCTS GROSS EARNINGS TAX AND PENALTIES FOR ABNORMAL PRICE INCREASES IN CERTAIN PETROLEUM PRODUCTS</u>
Public Act 12-28	<u>AN ACT CONCERNING THE USE OF TELEPHARMACY BY HOSPITALS</u>
Public Act 12-207	<u>AN ACT CONCERNING THE ADMINISTRATION OF INJECTABLE VACCINES TO ADULTS IN PHARMACIES</u>

True or False?

Answer

The answer is "False."

Researchers at the [Center for Retirement Research at Boston College](#) confirmed what many had long speculated, when it reported earlier this year that the Internet has created new opportunities for scammers, and the incidence of identity theft financial fraud is undoubtedly on the rise. Experts expect the upward trend to continue or even accelerate as baby boomers grow older and become new fraud targets.

For 2011, the Federal Trade Commission reported more than 1.2 million fraud and ID theft complaints in the U.S. – nearly six times the number reported in 2001 and up 29% in just three years. (This represents a portion of the full scope of the problem, since fraud is often unreported.) The median loss per person has more than doubled from \$218 in 2002 to \$537 in 2011.