

Department of Consumer Protection

At a Glance

MICHELLE H. SEAGULL, Commissioner

KAREN PERHAM-LIPPMAN, Deputy Commissioner

Established – 1959

Statutory authority - CGS Chap. 416, Section 21a-1

Central office – 450 Columbus Boulevard, Suite 901, Hartford, CT 06103

Number of employees (All Funds) – 269

Recurring operating expenses - \$20,997,608

General Fund Revenue - \$51,484,309

Transportation Fund Revenue - \$1,746,174

Organizational structure

Office of the Commissioner; Regulation of Food & Standards; Regulation of Drugs, Cosmetics & Medical Devices; Regulation of Alcoholic Liquor; Regulation of Occupational & Professional Licensing; Regulation of Public Charities; Regulation of Gaming; Investigations Division; License Services Division; Legal Services Office; Communications Office; Education and Outreach Office; Administrative Services Office; Operations Division (Technical Systems Unit and Complaint Center)

Mission

The mission of the Department of Consumer Protection is to protect the public health and safety and prevent significant economic harm to businesses and consumers through compliance and enforcement efforts.

Statutory Responsibility

The Department of Consumer Protection is a regulatory agency that protects citizens from physical injury and financial loss that may occur as the result of unsafe or fraudulent products and services marketed in Connecticut. The extent of the Department's regulatory oversight is unique in that its jurisdiction dovetails frequently with that of other Connecticut state agencies. The Department is responsible for enforcing numerous significant consumer protection laws, including but not limited to the Connecticut Unfair Trade Practices Act (CUTPA), the Liquor Control Act, the Connecticut Pure Food, Drug & Cosmetic Act, the Connecticut

Weights & Measures Act, and the Connecticut State Child Protection Act. The Department, which also regulates legalized gaming, Connecticut's Medical Marijuana Program (MMP) and many occupational trades and professional services, must be able to mobilize staff at any time in order to respond quickly and effectively to a food, drug, product safety, or economic crisis affecting Connecticut's marketplace or its residents.

Public Service

The Department of Consumer Protection continues to fulfill its mandate to protect Connecticut consumers through numerous enforcement and education channels. Public service provided by the Department during Fiscal Year 2018 included the following activities:

Regulating Alcoholic Liquor

- Through its Liquor Control Division, the Department worked to protect the health and safety of Connecticut citizens by regulating all persons and firms involved in the distribution, sale, and dispensing of alcoholic liquor in order to prevent sales to minors and intoxicated persons, guarantee product integrity and ensure that licensed premises are safe and sanitary.
- Department staff conducted inspections and investigations to ensure compliance with the provisions of state laws and regulations pertaining to the manufacture, importation, sale, and dispensing of alcoholic liquor.
- The Department investigated alleged violations of the State Liquor Control Act and consumer complaints involving alcoholic liquor that included: the sale of alcohol to minors and intoxicated persons; improper pricing and labeling; violations of regulations regarding adult entertainment; and purchases of alcoholic liquor from prohibited entities.
- Department staff collaborated with state and municipal police officers to conduct joint actions to enhance enforcement of underage drinking laws. These included alcohol compliance operations that utilized minors trained by the Governor's Prevention Partnership and local police agencies. In FY 2017-2018, the Division conducted more than 1123 investigations, including alcohol compliance checks, trade practice violation investigations and police referrals, suspending more than 90 permits. In addition to the suspensions, more than 180 permits were assessed civil penalty fines and settlements in excess of \$2, 290,000.00.
- The Department increased its use of online services for permittees and applicants, allowing for temporary permits and renewals of liquors to be conducted online.
- The Department provided training and education to more than 200 law enforcement officers, liquor retailers and community members in strategies to deter access of alcoholic liquor to underage persons.

Regulating Drugs, Cosmetics & Medical Devices

- The Department's Drug Control Division worked to protect the health and safety of Connecticut residents by regulating all persons and firms involved in the distribution of drugs, cosmetics and medical devices.
- Through the Drug Control Division, the Department investigated alleged diversion of controlled substances by practitioners in both pharmacies and healthcare facilities, conducted pharmacy inspections and responded to consumer complaints regarding prescription errors. In collaboration with the federal Drug Enforcement Administration (DEA) and the Food and Drug Administration (FDA), the Drug Control Division investigated sales and distribution of controlled substances.
- Department staff assisted law enforcement, the FDA, the federal Department of Health and Human Services (HHS), the Federal Bureau of Investigation (FBI) and the DEA in investigating and adjudicating cases of drug fraud in the state.
- Staff performed compliance inspections of all Drug Control licensees and registrants -- either as opening inspections, routine inspections, special inspections, or closing inspections. The Department continued operating and upgrading the Prescription Monitoring Program (PMP), which protects public health and safety by requiring prescribers and pharmacists to access a patient's prescription history to help identify patterns of misuse, diversion and/or abuse. Law enforcement and regulatory personnel also have access to the program to assist with investigations related to doctor shopping, pharmacy shopping and fraudulent activity. The program conducted education and outreach to the general public on prescription drug abuse, safe storage and disposal of prescription medication and taking medications safely.
- Staff monitored compliance agreements of pharmacists in a probationary program due to drug addiction. The Department also oversaw the compliance of the various police departments' canine labs.
- In its regulatory and operational oversight of the Medical Marijuana Program, the Department implemented online registration procedures for patients, physicians and caregivers, and conducted all compliance and investigative functions of the program. The Medical Marijuana Program now has over 26,000 patients, four producers, and nine dispensaries. The Department issued a Request for Application (RFA) for between 3 and 10 new dispensary facility to make sure patients in the Medical Marijuana Program had appropriate access to product.
- The Department posted on its website the answers to frequently asked questions from students, applicants, registrants and members of the pharmacy industry. Sample inspection reports and email addresses were also added online, to improve and simplify interactions with registrants and consumers.

- The Department conducted presentations to professional and community organizations and presented at state and national pharmacy conferences and seminars.
- The Department expanded the Controlled Substance Medication Drop Box Program, which it has operated for several years. Currently, 89 drop box programs are operating in municipalities across the state. To date, more than 122,000 lbs of medication have been destroyed through this program.
- Department staff continued to assist the Centers for Disease Control and Prevention (CDC) and Department of Public Health in managing the Chempak program for hospitals and first responders, and in the storage and dissemination of strategic medication. The Division also continued to assist the FDA in dissemination of drug recall notices to prescribers, pharmacists and pharmacies via an electronic list-serve.
- The Department continued to house the Board Administrator for the Commission of Pharmacy and the Board of Physicians.

Regulating Food, Standards and Product Safety

- Through the Food, Standards and Product Safety Division, the Department enforces packaged and manufactured Food laws, Weights and Measures laws and Product Safety laws with a specific mandate to protect public health in the commerce of food and product safety. The Division also enforces weights and measures law in Connecticut to ensure a fair, honest and open marketplace for the commerce of commodities.
- The Department administered the grant funded quality improvement program related to food safety inspections – “Manufactured Foods Regulatory Program Standards” in collaboration with the Food and Drug Administration (FDA), with a particular focus on ensuring that food safety inspections done by State inspectors are equivalent to those completed by FDA inspectors ensuring that consumers in Connecticut as well as those consumers of food products produced in Connecticut are protected from food borne illness. The program also prepares staff and the regulated public for the requirements under FSMA.
- Staff conducted inspections of food-processing plants, warehouses, retail food stores, bakeries, nonalcoholic beverage plants, frozen dessert plants, vending machine locations, apple juice and cider plants. Currently fulfilling the Department’s mandate under the State’s Uniform Food and Drug Act despite staff shortages to protect the public health in the intra-state commerce of food.
- The Department responded to 33 traffic and highway accidents involving food and beverage products, one less than last year’s responses. The inspections are done in order to ensure that contaminated/adulterated foods were not distributed to the public. The Division responded to 827 complaints from consumers related to food and weights and measures,

- Staff inspects gasoline stations, heating oil dealers and all weighing and measuring devices used commercially, such as retail store scales, motor truck scales, petroleum meters and home delivery truck meters.
- The Department checked packaging, labeling, unit pricing, scanning and advertising of food products, produce sampling and non-food items, restaurant menus, advertisements and gasoline station price signs to ensure that the contents and their weights were represented correctly.
- Pursuant to a Memorandum of Understanding with the U. S. Department of Agriculture, the Agency conducts effectiveness checks on meat and poultry recalls that affected Connecticut.
- Staff worked cooperatively with the Departments of Motor Vehicles and Public Safety on the Commercial Vehicle Safety and Inspection program, ensuring the accuracy of portable scales used in the State's highway safety programs, preventing overweight trucks from posing a threat to the driving public and damage to the State's roadways.
- The Agency supervised inspection work performed by municipal sealers of weights and measures in Waterbury, Danbury, New Haven, Bridgeport, Norwalk and Stamford.
- The Department maintained unconditional recognition from the U.S. Department of Commerce, National Institute of Standards and Technology for the State Metrology Laboratory.
- Staff from Weights and Measures participates on presentation panels for credit card skimmers at motor fuel retailers, the Fuel Task Force and National tasks forces for packaging and labeling for the National Conference on Weights and Measures.
- Product Safety was combined in the unit this fiscal year and is responsible for enforcing the State Child Protective Act regulating children's products such as toys. Product safety also regulates bedding, second hand furniture dealers and other product safety items. The later items related to bedding and furniture has become increasingly important owing to the resurgent issue of bed bugs in our State. Product Safety staff investigated over 64 complaints last year related to regulated products. Additionally staff accomplished the following:
 - Continued to maintain a list of toxic substances that should not exist in children's products in cooperation with the Department of Public Health, the Department of Energy and Environmental Protection and Trinity College. The list is published on the DCP website.
 - Twenty-eight recall effectiveness checks in cooperation with the United States Consumer Product Safety Commission. Ensuring that recalled items are removed from store shelves.
 - One hundred and seventy second hand bedding and upholstered furniture retail sanitation inspections.

- Ten thrift store educational inspections. Informing retailers about recall effectiveness and removing unsafe products from store shelves.
- Two hundred and eighty-one retail store toy inspections.

Performing Investigations, Protecting Against Fraud and Resolving Complaints

- Through the work of the Investigations Division, the Department investigated a variety of cases that resulted in criminal, civil and administrative actions, primarily under the Connecticut Unfair Trade Practices Act, the Home Improvement Act, the Homemaker Companion Act, the Solicitation of Charitable Funds Act, occupational and professional licensing among many others. This includes 46 referrals made through a specialized program with the Office of the Attorney General for criminal violations of the Home Improvement Act.
- Other matters referred for legal action included those relating to door to door sales, Health Club Guaranty Fund claims, restitution claims against home improvement contractors, and violations by licensed contractors, home improvement contractors, charitable paid solicitors, and a homemaker companion agency.
- The Investigation Division continues to focus on efforts to resolve consumer complaints through education and compliance in all areas. Other areas of focus includes complaints against the solar industry, solicitation by fraudulent veterans organizations, and processing concrete foundation complaints.
- The Department's Complaint Center responded to 15,167 calls and staffed the Hotline for 5,609 man hours as well as responded to 3,508 written consumer complaints during the year. The most common complaints were with home improvement contractors; licensed tradesmen and professionals; telecommunications, cable and utility companies; general retail stores, both online and in-store; warranty providers; funeral homes; bills by medical providers; homemaker-companion agencies, health clubs; and broad scams of every type and delivery mechanism.

Regulating Gaming

- Through the Gaming Division, the Department regulated Connecticut's authorized forms of gambling, which include Tribal Casinos, Off-Track Betting, State Lottery and Charitable Games. Specifically, the Gaming Division completed 6,874 gambling regulation inspections and visits, managed 2995 lottery drawings to ensure the integrity of the games, and conducted charitable games audits as required.
- Department staff inspected lottery agents and licensees, and Off-Track Betting ("OTB") facilities on an unannounced and random basis to ensure compliance

with all State statutes and regulations related to gaming, and to educate agents on State statutes and regulations related to Lottery.

- The Department assured that only suitable individuals worked in Connecticut's gaming industry by coordinating and conducting appropriate background checks before licensing, registering, or issuing permits to individuals, organizations, and vendors to be employed by, or contracted with, gaming licensees or permittees within the State, including those businesses authorized to sell lottery tickets. Through these efforts, the Department processed 13,484 active licenses in Connecticut's gaming industry. These included 5,751 Foxwoods Casino and 7,733 Mohegan Sun Casino active licenses.
- The Department conducted a total of 240 investigations, including personal background investigations, and monitored gaming operations to assure that all gambling activities were consistently conducted in a fair and honest manner, and to detect and prevent fraudulent gaming activity. Staff also participated in 8 arrests.
- The Department approved changes or modifications to wagering systems and related equipment to ensure the integrity of lottery games and operation of Off-Track Betting.
- The Department supported treatment and rehabilitation for chronic gamblers through public awareness activities and by ensuring that funding for such programs is provided pursuant to Section 17a-713(b) of the Connecticut General Statutes.

Issuing Licenses, Permits and Registrations

- In FY 18, the Licensing Division efficiently and accurately processed more than 283,000 licenses, permits and registrations in 235 different categories, resulting in over 55 million dollars in revenue.
- The Department has continued its plan for e-mailing of certain license certificates. This plan was expanded to additional license types and now over 40 license types are emailed and can be printed online. This new plan saved the Department over \$41,000 in printing and mailing costs in FY18.
- Continuing an effort to move services online, the Department offered Anytime Payment to its customers allowing them to make license related payments via the Department's online website. Payments such as late fees, initial license fees and other miscellaneous fees once mailed in are now processed efficiently and securely.
- In October 2017, the Department offered licensees the ability to make updates to their addresses on the Department's online website. This small improvement has resulted in a decrease in requests to the division.
- In March 2018, the Department transitioned its Walk-In Center to a Self-Serve

Walk-In Center. With the success and high rate of online transactions, the Department decided to redirect its licensing staff and implemented a drop box for customers. The change has been well received by our customers who still receive an efficient response to their licensing needs.

Regulating Occupational & Professional Licensing

Through the Occupational & Professional Licensing Division, the Department administered professional licensing procedures that ensured that only qualified, competent individuals were licensed in the occupational trades and in several professional licensing categories. The Occupational and Professional Licensing Division ensures that applicants for Building and Construction related licensure examinations possess the required education, training and specific knowledge within such licensed scope of work. The Division also administers the Real Estate and Real Estate Appraisal related licensure examinations and investigations which include Mobile Manufactured Homes and Parks.

- The Division enabled online application ability for 18 credential types.
- The Department enforced laws governing approximately 95,000 licensees in 146 credential types and administered nationally standardized examinations.
- Federal Appraisal Subcommittee completed an audit of the Connecticut Appraisal Program in 2018 and determined the program to be in compliance with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act.

The administrative functions of the Boards, Commissions, and Councils are carried out by the Occupational and Professional Licensing Division for the following:

- State Board of Accountancy
- Plumbing and Piping Work Examining Board
- Heating, Piping, Cooling and Sheet Metal Work Examining Board
- Electrical Work Examining Board
- Elevator Craftsman Work Examining Board
- Fire Protection Sprinkler Work Examining Board
- Automotive and Flat Glass Work Examining Board
- Home Inspector Licensing Board
- Architectural Licensing Board
- State Boards of Examiners for Professional Engineers and Land Surveyors
- State Board of Landscape Architects
- Real Estate Commission
- Real Estate Appraisal Commission
- Mobile Manufactured Home Park Council

Legal, information technology, communications and outreach/education functions likewise supported the mission of the Department during FY 2017:

- Through its Legal Division, the Department enhanced enforcement of consumer protection laws by effectively resolving issues of concern with persons and establishments it regulates. These initiatives included 465 compliance meetings, 66 formal hearings/administrative complaints, 70 formal hearing decisions, 237 Settlement Agreements, Consent Decrees and Stipulations, 5 Assurances of Voluntary Compliance, 8 subpoenas/civil investigative demands, and 2 Declaratory Ruling were issued.
- The Department processed and provided monetary restitution to consumers who were financially damaged in the areas of home improvement, new home construction, real estate and health club closings. Specifically: 117 consumer claims were processed from the Home Improvement Guaranty Fund resulting in \$999,628 paid; 6 claims processed from the New Home Contractor Guaranty Fund with \$149,874 paid; no consumer claims were processed from the Real Estate Guaranty Fund; and 239 consumer claims were processed from the Health Club Guaranty Fund resulting in \$94,823 paid. In addition, in FY 2018, the Guaranty Funds collectively contributed a total of \$1,486,779 to the State's General Fund. The Agency's new vehicle arbitration ("Lemon Law") program ordered \$2.3 million in restitution to 64 consumers.
- The Department's Education and Outreach unit developed and hosted the State's fourth symposium on Cross-Cultural Communication with 200 attendees, representing the state's business, nonprofit and direct service communities, in addition to members of law enforcement and of other state agencies. This symposium is intended to provide skills and knowledge to those in state agencies and nonprofits who are charged with reaching out to underserved communities, in order to assure that every resident of Connecticut has the knowledge of and access to nonprofit and state services.
- Staff continued to write a bi-monthly consumer column for the state's only newspaper translated into both Spanish and Portuguese. In addition, we now contribute a monthly consumer awareness column in the state's largest Polish language newspaper. In addition, we represent the Department on several commissions and boards that address services to underserved audiences.
- Staff also represents the Department on the DESPP Emergency Communications Task Force, the Trafficking in Persons Council, and the Coalition for Elder Justice.
- The Department continued to inform and educate the public by developing print and web materials on numerous consumer-related issues, including advice on hiring contractors, avoiding scams, shopping safely online, accessing the State's medical marijuana program, signing a contract for home heating fuel, unlawful

sales of alcohol to minors, the lemon law, and product recalls.

- The Department developed a guide for home improvement contractors, a guide for consumers who may be eligible for the Lemon Law program, a fact sheet for consumers who may need to hire a homemaker companion, and a fact sheet to help families avoid dangerous chemicals in their children's toys.
- The Department news releases and announcements about its initiatives, investigations, recall and scam alerts, and other consumer issues resulted in more than 1300 unique print and broadcast news stories in local, statewide and national publications. Most of the news stories simultaneously appeared online, on local, state or national news media websites, thus remaining accessible to the public.
- The Department continued to enhance its ability to provide important consumer information via social media through Facebook, Twitter, and Instagram.
- The Department presented at several meetings of the statewide immigrant coalition to address specific consumer scams directed at immigrants and refugees in the state. In addition, the department worked on a regular basis with the FTC to bring federal programs to the state level. We expanded our work to include other governmental organizations in our efforts to communicate to all underserved audiences.
- Department staff presented and distributed print information at conferences, seminars, and professional and community programs, and engaged in speaking engagements to educate the public on issues relating to privacy, identity theft, fraud, food safety, home improvement, homemaker companion aides, real estate, and financial literacy. Audiences reached included food sanitarians, home builders, home improvement professionals, homeowners, home buyers, professional trades groups, business leaders, senior citizens and students.
- As a member of the Coalition for Elder Justice in Connecticut, the Department collaborated with other public and private stakeholders to address issues of financial fraud and other abuses affecting older residents in the State.
- The department is now a member of the Trafficking in Persons Council, working with other state agencies, law enforcement and nonprofits to develop laws and policy that protect vulnerable populations that may be targeted by traffickers. Our casino agents have been trained in how to spot suspicious behavior and respond in the proper manner.
- The Department continues to sit on the Governor's Emergency Communications Task Force, and heads a sub-committee that seeks to understand and addresses the needs of underserved residents. The Department was also represented on the sub-committee that responded to the immediate and long term needs of those displaced to Connecticut by the hurricanes in Puerto Rico and other Caribbean islands.
- The Technical Systems (IT) Division continued to build capacity within the

Department by offering an ongoing series of trainings on basic and advanced features within the eLicense system, which is used for licensing and enforcement throughout the Department.

- IT partnered with BEST to implement a hardware and software management system to dynamically monitor and audit the inventory.
- IT expanded its capacity to publish a variety of data to the State's Open Data Portal system.

Improvements/Achievements 2017 – 2018

During Fiscal Year 2018, the Department of Consumer Protection realized numerous improvements and achievements.

- The Department continued to implement Lean principles and practices in daily work and planning. Three formal events improved customer experiences around Gaming Hearings, Retail Gas Inspections and Liquor Enforcement Hearings. In addition, many smaller efforts resulted in incremental improvements throughout the Agency.
- The Department continues to host interns from colleges and universities all over the country in its intern program, bringing in students to learn from and contribute to the Department's mission and goals.

Equal Employment Opportunity Reporting Requirement

The Department of Consumer Protection is firmly committed to the principles and objectives of equal employment opportunity for all individuals. The Department's full-time Director of Equal Employment Opportunity, Alicia Nuñez, coordinates and monitors the Department's programs and ensures compliance with the Americans with Disabilities Act, Title II and Title VII of the Civil Rights Act, the Fair Employment Practices Act, state Affirmative Action regulations and Contract Compliance laws, and other applicable laws. The Department is an Affirmative Action/Equal Employment Opportunity employer, and has undertaken numerous steps this past year to effectuate equal opportunity in its hiring, promotions, trainings and other employment-related duties, as well as in the provision of the programs and services that fall under the Department's authority. Information concerning these activities would be too voluminous to relate here, but are detailed in the Department's recent Affirmative Action Plan, approved by the Commission on Human Rights and Opportunities. The Department did not knowingly do business with any bidder, contractor, sub-contractor, supplier of materials, or licensee who discriminates against members of any class protected under C.G.S. Sec. 4a-60 or 4a-60a.

The DCP Equal Employment Opportunity Unit partners with our participating client

agencies to assure that agency programs are fair and equitable, provide equal employment opportunity, and comply with state and federal laws and guidelines. These assurances are fulfilled by: Preparing and implementing affirmative action plans; collaborating in the selection and hiring process; providing a process for complaints of discrimination, and educating staff of their rights and obligations in affirmative action laws.

The Director of Equal Employment Opportunity is responsible for DCP's State Affirmative Action Plan and serves as the DCP Equal Employment Officer, reporting directly to the DCP Commissioner, Michelle H. Seagull for this function. She directs and administers all aspects of the DCP EEO/AA program including developing strategic affirmative action programs; interpret and administer pertinent laws and regulations; investigate complaints of discrimination made against the agency and report findings to the Commissioner and or designee; offers remedies on any discriminatory conduct that occurs; and counsels staff on equal employment opportunity matters. The unit prepares materials and conducts training to heighten knowledge of equal employment opportunity laws and affirmative action goals. The Equal Employment Opportunity Specialist also serves as the agency's ADA coordinator.

- In Fiscal Year 2017-2018, 55.3 percent of the Department's employees were female and 44.7 percent were male, with the following composition: 71.1 percent white, 16.8 percent black, 8.1 percent Hispanic, and 4.0 percent Asian.