

2024 -- H 7284

=====
LC004550
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

—————
A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
DECEPTIVE TRADE PRACTICES

Introduced By: Representative K. Joseph Shekarchi

Date Introduced: January 26, 2024

Referred To: House Corporations

(by request)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 6-13.1-1 of the General Laws in Chapter 6-13.1 entitled "Deceptive
2 Trade Practices" is hereby amended to read as follows:

3 **6-13.1-1. Definitions.**

4 As used in this chapter:

5 (1) "Documentary material" means the original or a copy of any book, record, report,
6 memorandum, paper, communication, tabulation, map, chart, photograph, mechanical
7 transcription, or other tangible document or recording wherever situated.

8 (2) "Examination" of documentary material includes the inspection, study, or copying of
9 any documentary material, and the taking of testimony under oath or acknowledgment in respect
10 of any documentary material or copy of any documentary material.

11 (3) "Person" means natural persons, corporations, trusts, partnerships, incorporated or
12 unincorporated associations, and any other legal entity.

13 (4) "Rebate" means the return of a payment or a partial payment that serves as a discount
14 or reduction in price.

15 (5) "Trade" and "commerce" mean the advertising, offering for sale, sale, or distribution
16 of any services and any property, tangible or intangible, real, personal, or mixed, and any other
17 article, commodity, or thing of value wherever situate, and include any trade or commerce directly
18 or indirectly affecting the people of this state.

1 (6) “Unfair methods of competition and unfair or deceptive acts or practices” means any
2 one or more of the following:

3 (i) Passing off goods or services as those of another;

4 (ii) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship,
5 approval, or certification of goods or services;

6 (iii) Causing likelihood of confusion or of misunderstanding as to affiliation, connection,
7 or association with, or certification by, another;

8 (iv) Using deceptive representations or designations of geographic origin in connection
9 with goods or services;

10 (v) Representing that goods or services have sponsorship, approval, characteristics,
11 ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship,
12 approval, status, affiliation, or connection that he or she does not have;

13 (vi) Representing that goods are original or new if they are deteriorated, altered,
14 reconditioned, reclaimed, used, or secondhand; and if household goods have been repaired or
15 reconditioned, without conspicuously noting the defect that necessitated the repair on the tag that
16 contains the cost to the consumer of the goods;

17 (vii) Representing that goods or services are of a particular standard, quality, or grade, or
18 that goods are of a particular style or model, if they are of another;

19 (viii) Disparaging the goods, services, or business of another by false or misleading
20 representation of fact;

21 (ix) Advertising goods or services with intent not to sell them as advertised;

22 (x) Advertising goods or services with intent not to supply reasonably expectable public
23 demand, unless the advertisement discloses a limitation of quantity;

24 (xi) Making false or misleading statements of fact concerning the reasons for, existence of,
25 or amounts of price reductions;

26 (xii) Engaging in any other conduct that similarly creates a likelihood of confusion or of
27 misunderstanding;

28 (xiii) Engaging in any act or practice that is unfair or deceptive to the consumer;

29 (xiv) Using any other methods, acts, or practices that mislead or deceive members of the
30 public in a material respect;

31 (xv) Advertising any brand name goods for sale and then selling substituted brand names
32 in their place;

33 (xvi) Failure to include the brand name and or manufacturer of goods in any advertisement
34 of the goods for sale, and, if the goods are used or secondhand, failure to include the information

1 in the advertisement;

2 (xvii) Advertising claims concerning safety, performance, and comparative price unless
3 the advertiser, upon request by any person, the consumer council, or the attorney general, makes
4 available documentation substantiating the validity of the claim;

5 (xviii) Representing that work has been performed on or parts replaced in goods when the
6 work was not in fact performed or the parts not in fact replaced; or

7 (xix) Failing to separately state the amount charged for labor and the amount charged for
8 services when requested by the purchaser as provided for in § 44-18-12(b)(3).

9 (xx) Advertising for sale at a retail establishment the availability of a manufacturer's rebate
10 by displaying the net price of the advertised item (the price of the item after the rebate has been
11 deducted from the item's price) in the advertisement, unless the amount of the manufacturer's
12 rebate is provided to the consumer by the retailer at the time of the purchase of the advertised item.
13 It shall be the retailer's burden to redeem the rebate offered to the consumer by the manufacturer.

14 [\(xxi\) Advertising, displaying, or offering a price for a good or service that does not include](#)
15 [all mandatory fees or charges except the following:](#)

16 [\(A\) Taxes or fees imposed by a government on the transaction; or](#)

17 [\(B\) Postage or carriage charges that will be reasonably and actually incurred to ship the](#)
18 [physical good to the consumer.](#)

19 SECTION 2. Section 6-13.1-2 of the General Laws in Chapter 6-13.1 entitled "Deceptive
20 Trade Practices" is hereby amended to read as follows:

21 **6-13.1-2. Unlawful acts or practices.**

22 [\(a\) Unfair methods of competition and unfair or deceptive acts or practices in the conduct](#)
23 [of any trade or commerce are declared unlawful.](#)

24 [\(b\) The attorney general is authorized to promulgate regulations to define specific practices](#)
25 [that are prohibited or required pursuant to this section in order to enforce the prohibition on any](#)
26 [unfair methods of competition or unfair or deceptive trade practices defined in § 6-13.1-1 and may](#)
27 [seek penalties or other relief for violations as deemed necessary for effective enforcement.](#)

28 SECTION 3. This act shall take effect upon passage.

=====
LC004550
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
DECEPTIVE TRADE PRACTICES

1 This act would provide that advertising goods that don't include a price referencing all
2 mandatory fees and charges shall be a deceptive trade practice and would authorize the attorney
3 general to promulgate regulations further defining specific prohibited practices and provide
4 appropriate penalties.

5 This act would take effect upon passage.

=====
LC004550
=====