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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO COMMERCIAL LAW - DECEPTIVE TRADE PRACTICES

Introduced By: Representatives Trillo, Morgan, Costa, and Malik

Date Introduced: February 15, 2012

Referred To: House Corporations

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.** -- As used in this chapter:

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

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

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

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

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

18          (6) "Unfair methods of competition and unfair or deceptive acts or practices" means any  
19 one or more of the following:

- 1 (i) Passing off goods or services as those of another;
- 2 (ii) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship,  
3 approval, or certification of goods or services;
- 4 (iii) Causing likelihood of confusion or of misunderstanding as to affiliation, connection,  
5 or association with, or certification by, another;
- 6 (iv) Using deceptive representations or designations of geographic origin in connection  
7 with goods or services;
- 8 (v) Representing that goods or services have sponsorship, approval, characteristics,  
9 ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship,  
10 approval, status, affiliation, or connection that he or she does not have;
- 11 (vi) Representing that goods are original or new if they are deteriorated, altered,  
12 reconditioned, reclaimed, used, or secondhand; and if household goods have been repaired or  
13 reconditioned, without conspicuously noting the defect which necessitated the repair on the tag  
14 which contains the cost to the consumer of the goods;
- 15 (vii) Representing that goods or services are of a particular standard, quality, or grade, or  
16 that goods are of a particular style or model, if they are of another;
- 17 (viii) Disparaging the goods, services, or business of another by false or misleading  
18 representation of fact;
- 19 (ix) Advertising goods or services with intent not to sell them as advertised;
- 20 (x) Advertising goods or services with intent not to supply reasonably expectable public  
21 demand, unless the advertisement discloses a limitation of quantity;
- 22 (xi) Making false or misleading statements of fact concerning the reasons for, existence  
23 of, or amounts of price reductions;
- 24 (xii) Engaging in any other conduct that similarly creates a likelihood of confusion or of  
25 misunderstanding;
- 26 (xiii) Engaging in any act or practice that is unfair or deceptive to the consumer;
- 27 (xiv) Using any other methods, acts or practices which mislead or deceive members of  
28 the public in a material respect;
- 29 (xv) Advertising any brand name goods for sale and then selling substituted brand names  
30 in their place;
- 31 (xvi) Failure to include the brand name and or manufacturer of goods in any  
32 advertisement of the goods for sale, and, if the goods are used or secondhand, failure to include  
33 the information in the advertisement;
- 34 (xvii) Advertising claims concerning safety, performance, and comparative price unless

1 the advertiser, upon request by any person, the consumer council, or the attorney general, makes  
2 available documentation substantiating the validity of the claim;

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

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

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

13 (xxi) [Deleted by P.L. 2007, ch. 31, section 1 and P.L. 2007, ch. 38, section 1].

14 [\(xxii\) Charging interest on a fee or charge for the provision of service or labor or on the](#)  
15 [cost of tangible personal property before the service or property is in fact delivered.](#)

16 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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- 1           This act would prohibit the charging of interest on a fee or charge for the provision of
- 2 service or labor or on the cost of tangible personal property before the service or property is in
- 3 fact delivered, and would define the same as a deceptive trade practice.
- 4           This act would take effect upon passage.

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