

LC00439

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2006

A N A C T

RELATING TO COMMERCIAL LAW -- DECEPTIVE TRADE PRACTICES

Introduced By: Representatives Kennedy, Ucci, Moran, and Gallison

Date Introduced: January 05, 2006

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 ~~(4)~~(5) "Trade" and "commerce" mean the advertising, offering for sale, sale, or
15 distribution of any services and any property, tangible or intangible, real, personal, or mixed, and
16 any other article, commodity, or thing of value wherever situate, and include any trade or
17 commerce directly or indirectly affecting the people of this state.

18 ~~(5)~~(6) "Unfair methods of competition and unfair or deceptive acts or practices" means
19 any 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,
3 sponsorship, 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
4 the 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 as
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) Refusing to accept a photocopy or other reasonable facsimile of an original sales
14 receipt when the consumer is redeeming a rebate.

15 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 make it a deceptive trade practice for a retailer to advertise the availability
2 of a manufacturer's rebate by displaying the net price of the advertised item (the price of the item
3 after the rebate has been deducted from the item's price) in the advertisement, unless the amount
4 of the manufacturer's rebate is provided to the consumer by the retailer at the time of the purchase
5 of the advertised item. This act would also place the burden on the retailer to redeem the
6 manufacturer's coupon on the item sold. This act would also make it a deceptive trade practice for
7 refusing to accept a photocopy of an original sales receipt when the consumer is redeeming a
8 rebate.

9 This act would take effect upon passage.

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