



**Testimony in Support of H-5247**

**Prohibiting Deceptive Trade Practices**

**House Committee on Corporations**

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**The Economic Progress Institute supports Representative Potter’s H-5247 to protect Rhode Island consumers by recognizing and prohibiting the concealment of costs as a deceptive trade practice.**

Increasingly, Americans have noticed differences between advertised prices and the prices they must, in the end, actually pay for these same good or services. Frequently encountered, for example, in the form of various fees added on to the cost of a concert ticket, such service fees or service charges are mandatory yet not always reflected in the advertised price. Too often, consumers only realize there are additional charges (the purpose of which often remain unclear) when they are already near the end of a purchase process and have already invested considerable time and energy, making it difficult to cancel at that stage.

However, such junk fees are not limited to concerts or other entertainment. They also appear in the following places:

- Rental applications
- Rental contracts
- Phone calls, money transfers and other critical services for incarcerated individuals
- Automobile and automobile service contracts
- Bank accounts, credit cards, buy now pay later credit, and other financial products

We support transparency in pricing and advertising to protect Rhode Island consumers, who should not be subject to baits-and-switches in making purchases.

We urge members of the House Committee on Corporations to send this legislation to the full House.