



February 11, 2025

The Honorable Joseph J. Solomon, Jr., Chairman
House Corporations Committee
State House
Providence, RI 02903

Re: H.5247 An Act Relating to Commercial Law - General Regulatory Provisions - Deceptive Trade Practices

Dear Chairman Solomon:

The undersigned members of the Rhode Island Business Coalition respectfully oppose the passage of H.5247, An Act Relating to Commercial Law – General Regulatory Provisions – Deceptive Trade Practices as it is currently written.

H.5247 adds a new provision to the definition of unfair or deceptive practices in business. The bill declares it an unfair practice to advertise or display a price for a good or service that fails to include all mandatory fees or charges (except government fees or taxes and “reasonable postage”).

While at first read this change may seem reasonable, the broad language could lead to unintended consequences where businesses are violating the law while having no intent to do so. Prices and fees change often in the world of goods and services. H.5247 is silent on the timeframe of the advertised price versus the time the customer purchases the good or service. If the business fails to re-post or erect a new display of the new price when it changes, then the business would be in violation of the bill as written.

In the online world, fees are often based on the number of items in an order or the overall cost of an order, which cannot be determined until the order is complete. It would be difficult to advertise any price for a good or service without violating the proposed law. Businesses would be faced with the choice to forgo any advertising altogether or to increase prices to cover all possible situations. Both options ultimately hurt businesses and customers.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

We agree that customers are sometimes hurt by unscrupulous businesses that tack on random fees after a good or service is ordered. We look forward to working with the sponsor to ensure unscrupulous businesses are not rewarded and the majority of companies that are trying to operate in an appropriate and reasonable manner are not harmed.

Thank you for your consideration of our concerns.

Sincerely,

East Greenwich Chamber of Commerce

National Federation of Independent Business

Rhode Island Bankers Association

Rhode Island Hospitality Association

Rhode Island Lumber and Building Material Dealers Association

Rhode Island Manufacturers Association

Rhode Island Marine Trade Association

Rhode Island Staffing Association

Small Business Economic Summit Regulations Subcommittee

Small Business Economic Summit Tax and Budget Committee

TechNet

cc. House Corporations Committee members