



RHODE ISLAND WORKING FAMILIES POWER

Representative Joseph Solomon, Chair
House Committee on Corporations

Tuesday, February 11, 2025

Support for H5247, an Act Relating to Commercial Law—Deceptive Trade Practices

Chair Solomon and Members of the Committee,

RI Working Families Power supports H5247 by Rep. Potter, which seeks to eliminate deceptive "junk fees" that burden consumers and distort fair market competition. Across Rhode Island, families are unfairly subjected to hidden—or just barely visible—charges in travel, banking, housing, entertainment, and more. These deceptive fees undermine our state's families' ability to make informed financial decisions. H5247 is a necessary step forward to protect consumers from misleading business practices.

By "deceptive" and "junk" fees, we mean those surprise costs that pop up at the end of your meal delivery order, short-term rental, concert ticket, ride-share reservation, etc. The menu or sticker price may say \$10, but by the time you check out, you're somehow paying \$24 for an item—and you don't quite know how. To varying degrees, corporations do itemize these fees—cleaning fees, driver fees, "data system" fees, etc. But by burying the costs at checkout, businesses are being deceptive in their marketing, inflating costs beyond what consumers initially agreed to pay.

H5247 would align Rhode Island with a growing national movement to regulate these exploitative practices, following the lead of states including California (2023-SB478), New York (2024-25.07(4)), and Minnesota (2024-HF3438), as well as a 2024 FTC rule.

Here in Rhode Island and across the country, working families are sick of being nickel-and-dimed. By requiring all advertised prices to include mandatory fees, this bill empowers consumers to make informed choices and fosters a marketplace that rewards honesty over deception. Passing H5247 would show the country that Rhode Island affirms fairness and transparency as non-negotiable standards in our economy. We urge the Committee to advance this bill to the Floor.

Respectfully submitted,

M. Zachary Mezera
Working Families Power