

April 8, 2025

The Honorable Evan P. Shanley, Chairman House State Government and Elections Committee State House Providence, RI 02903

Re: H.6164, An Act Relating to State Affairs and Government-Department of Attorney General

Dear Chairman Shanley,

The undersigned members of the Rhode Island Business Coalition respectfully oppose the passage of H.6164, An Act Relating to State Affairs and Government-Department of Attorney General.

This legislation expands the authority of the Attorney General and has the potential to override safeguards that the business community fought hard to include during the debate to expand the Attorney General's powers under the Deceptive Trade Practices Act.

Title 6-13.1-1 outlines twenty (20) specific actions that, if undertaken by a business, allows the Attorney General to take action against that business. Title 6-13.1-4 provides protection for businesses that are regulated by another agency. The statute reads:

6-13.1-4. Exemptions.

- (a) Nothing in this chapter shall apply to actions or transactions permitted under laws administered by the department of business regulation or other regulatory body or officer acting under statutory authority of this state or the United States.
- **(b)** For actions brought by the attorney general, the exemption in subsection (a) applies only if the person claiming the exemption shows that:
 - (1) The person's business activities are subject to regulation by a state or federal agency; and
 - (2) The activity or conduct is in compliance with orders, including insurance bulletins, or rules of, or a statute administered by, a federal or state government agency.

In addition, H.6164 offers a new penalty to the Attorney General. The language on page 2, line 17 adds the penalty of "cancelling any certificate filed with the Secretary of State." This section refers to a

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

business's Articles of Incorporation. H.6164 allows the Attorney General to ask for restitution, damages, civil penalties of up to \$10,000 per violation, and now the surrender of the business's ability to operate in the State of Rhode Island.

We believe the Attorney General has ample authority to currently go after unscrupulous businesses under the Deceptive Trade Practices Act. H.6164 appears to attempt to nullify the protections afforded under 6-13.1-4 and place businesses in a no-win battle between the state agencies that regulate them and the Attorney General.

Thank you for your consideration of our concerns.

Sincerely,

Associated Builders and Contractors - Rhode Island Chapter

East Greenwich Chamber of Commerce

National Federation of Independent Business

Rhode Island Hospitality Association

Rhode Island Manufacturers Association

Rhode Island Marine Trade Association

Small Business Economic Summit Regulations Committee

Small Business Economic Summit Tax and Budget Committee

cc. House State Government and Elections Committee members