

2022 -- H 7601

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LC004023
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS --
DECEPTIVE TRADE PRACTICES

Introduced By: Representatives Kennedy, Azzinaro, and Diaz

Date Introduced: March 02, 2022

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 6-13.1 of the General Laws entitled "Deceptive Trade Practices" is
2 hereby amended by adding thereto the following section:

3 **6-13.1-31. Developed commercial property restrictions.**

4 (a) Except as provided in subsection (d) of this section, on or after July 1, 2022, no person
5 or business shall include or provide in any agreement or contract, a provision or requirement that
6 the owner, landlord or lessor of a developed commercial property is restricted or prohibited from
7 leasing the property or a portion thereof to any commercial tenant engaged in a lawful retail
8 business to include, but not be limited to, any restriction or prohibition on the type of business or
9 commerce to be conducted on the premises.

10 (b) On or after July 1, 2022, no person or business shall include or provide in any lease for
11 commercial property any provision or requirement that the owner, landlord or lessor is restricted
12 or prohibited from leasing the property or a portion thereof to another business or entity engaged
13 in a lawful retail business after the lease is terminated or concluded, to include, but not limited to,
14 any restriction or prohibition on the type of business or commerce to be conducted on the premises
15 following the termination or conclusion of the lease.

16 (c) Any person or business violating the provisions of subsection (a) or (b) of this section
17 shall be engaged in a deceptive trade practice in violation of § 36-13.1-2 and the agreement,
18 contract, provision or requirement violating subsection (a) or (b) of this section shall be null and

1 void as violating public policy.

2 (d) Nothing in this section shall be construed as:

3 (1) Prohibiting a reasonable exclusive use provision in a commercial property lease, which
4 prohibit an owner, landlord or lessor from renting space in a commercial retail mall, complex,
5 development or shopping center to another tenant engaged in the same business;

6 (2) Mandating that any owner, landlord or lessor of commercial property is required to
7 lease premises to any particular or specific business; or

8 (3) Prohibiting or voiding any bonafide option to purchase or option to lease any
9 commercial premises.

10 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

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1 This act would prevent a lessor or lessee from entering into a lease that has a condition
2 which upon the expiration of the lease agreement would prevent the lessor from leasing the property
3 to any other business engaged in lawful retail commerce. The act also prohibits contracts that
4 prevent lessors from renting to any lawful business, except for exclusive use agreements.

5 This act would take effect upon passage.

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