

## **BILL ANALYSIS**

S.B. 378  
By: Armbrister  
Business & Industry  
Committee Report (Amended)

### **BACKGROUND AND PURPOSE**

Currently, Texas law has no provision prohibiting the misrepresentation of a floral industry business's geographic location. There are a number of floral telemarketing businesses that falsely advertise in local telephone directories and listings as a local business and subsequently charge additional fees when filling the order. The bill prohibits the use of local contact information in telephone directories or databases to misrepresent a business's location.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Chapter 17E, Business & Commerce Code, by adding Section 17.462, as follows:

Sec. 17.462. LISTING OF BUSINESS LOCATION IN DIRECTORY OR DATABASE.

(a) Prohibits a person from misrepresenting the geographical location of a business that derives 50 percent or more of its gross income from the sale or arranging for the sale of flowers or floral arrangements in the listing in a telephone directory or other directory assistance database.

(b) Provides criteria by which a person is considered to have misrepresented the location of a business for the purpose of Subsection (a).

(c) Authorizes a person to place a business directory listing indicating that the business is located in a different geographical area, if a conspicuous notice in the listing states the municipality and state in which the business is actually located.

(d) Provides that this section does not apply to certain entities.

(e) Provides that violation of this section is a false, misleading, or deceptive act or practice and authorizes remedies to enforce this section.

SECTION 2. Effective date: September 1, 2003. No retroactive clause.

### **EFFECTIVE DATE**

The effective date is September 1, 2003.

### **EXPLANATION OF AMENDMENTS**

Creates a new section (e) in Section 1 providing that no duty or obligation is imposed upon anyone other than the business that is the subject of the advertisement or listing and renumbers subsequent section

accordingly.