BILL ANALYSIS

Senate Research Center 78R4687 CLG-F S.B. 378 By: Armbrister Business & Commerce 2/24/2003 As Filed

DIGEST AND PURPOSE

Currently, Texas law has no provision prohibiting the misrepresentation of a floral industry business's geographical 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. As proposed, S.B. 378 prohibits the use of local contact information in telephone directories or databases to misrepresent a business's geographic location.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION 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 derives50 percent or more of its gross income from the sale or arranging for the sale of flowers orfloral 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 purposes 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. Makes application of this Act prospective.