STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

RELATING TO COMMERCIAL LAW--GENERAL REGULATORY PROVISIONS--INDECENT DECEPTIVE TRADE PRACTICES, DUTIES OF CARRIERS COMMUNITY STANDARDS OF DECENCY, ADULT ENTERTAINMENT ESTABLISHMENTS--HUMAN TRAFFICKING AND CHILD EXPLOITATION PREVENTION ACT

Introduced By: Representatives Roberts, Quattrocchi, Place, Casimiro, and Ackerman

Date Introduced: February 26, 2020

Referred To: House Corporations

It is enacted by the General Assembly as follows:

SECTION 1. Title 6 of the General Laws entitled "COMMERCIAL LAW - GENERAL REGULATORY PROVISIONS" is hereby amended by adding thereto the following chapter:

CHAPTER 58

INDECENT DECEPTIVE TRADE PRACTICES

(a) This chapter shall be known and cited as the "Indecent Deceptive Trade Practices."
(b) This act shall be known and may be cited as the "Human Trafficking and Child Exploitation Prevention Act."

6-58-2. Legislative findings.
The legislature finds that:
(1) The United States supreme court in Ashcroft v. American Civil Liberties Union, 542 U.S. 658 (2004) found that the legislative branch "may undoubtedly act to encourage the use of filters...It could also take steps to promote their development by industry, and their use by parents," which was the supreme court's way of signaling to the legislative branch to pass filter legislation that requires consumers to opt in to having access to obscene materials that are harmful to minors on Internet-enabled devices, since filters are the least restrictive means of limiting access to those materials.
(2) The United States supreme court found in Ginsberg v. New York, 390 U.S. 629 (1968) that a physical display state statute that required physical brick and mortar stores to put physical obscene material behind a physical blinder rack was constitutional under first amendment heightened scrutiny test, which meant that a digital blinder rack statute that required digital retailers to put digital obscene material behind a digital blinder rack should also be deemed constitutional, on the same legal basis.

(3) Because the Supreme Court of the United States in Paris Adult Theatre I v. Slaton, 413 US 49 (1973) made it clear that the states have a compelling interest to uphold community standards of decency, a statute requiring a filter deactivation fee regarding websites displaying obscene material and an adult service business admission fee should be constitutional since it is rationally related to a narrowly tailored compelling state interest.

(4) The Texas Supreme Court in Combs v. Texas Entertainment Association, et al., 347 S. W. 3d 277 (Tex., 2011), relying on federal constitutional law, found that a statute that required a five-dollar ($5.00) admission fee to an adult service business that was to be remitted back to the state to enable the state to uphold community standards of decency, was constitutional under first amendment heightened scrutiny test, which means that a one-time twenty-dollar ($20.00) filter deactivation fee to enter the digital strip club on Internet-enabled devices is constitutional on the same legal basis, if remitted to the state, to be used in the same manner.

(5) Sex trafficking has moved from the street corner to the smartphone, which means that making websites that facilitate human trafficking and prostitution inaccessible by default on Internet-enabled devices will do more to curb the demand for such offenses more so than any other measure since the inception of the Internet.

(6) Live adult entertainment establishments contribute to a culture that tolerates the sexual objectification and exploitation of women, and contribute to the need for community-based services to respond to victims of all forms of sexual exploitation, including sexual harassment, trafficking, and sexual assault.

(7) Crime statistics show that the presence of live adult entertainment establishments may result in an increase in prohibited secondary sexual activities, such as prostitution, and other crimes in the surrounding community.

(8) The statehouse is generally opposed to online censorship unless the content is injurious to children or promotes human trafficking - only then is the statehouse for limited censorship.

(9) Retailers of Internet-enabled devices market their products as being family-friendly when they are often not constituting unfair trade practices.

As used in this chapter:

(1) "Adult" has the same meaning as contained in § 11-67.1-2.

(2) "Cellular telephone" means a communication device containing a unique electronic serial number that is programmed into its computer chip by its manufacturer and whose operation is dependent on the transmission of that electronic serial number along with a mobile identification number, which is assigned by the cellular telephone carrier, in the form of radio signals, through cell sites and mobile switching stations.

(3) "Child pornography" has the same meaning as contained in § 11-9-1.3(c)(1) and 18, U.S.C. 2258.

(4) "Computer" has the meaning as contained in 18 U.S.C. 1030.

(5) "Consumer" means an individual who purchases or leases an Internet-enabled device for personal, family, or household purposes.

(6) Data communications device" means an electronic device that receives electronic information from one source and transmits or routes it to another, including, but not limited to, any such bridge, router, switch, or gateway.

(7) "Filter" means a digital blocking capability, hardware or software that restricts or blocks Internet access to websites, electronic mail, chat, or other Internet-based communications based on category, site, or content which means a digital blinder rack that can be deactivated by a retailer, upon the satisfaction of certain minimal conditions.

8 "Human trafficking" means the commission of an offense created by §§ 11-67.1-3 through 11-67.1-7.

(9) "Internet" has the same meaning as contained in 31 U.S.C. 5362.

(10) "Internet-enabled device" means a cellular telephone, computer, data communications device, or other product manufactured, distributed, or sold in this state that provides Internet access or plays a material role in distributing content on the Internet.

(11) "Internet service provider" has the same meaning as contained in § 39-2-20.1(a).

(12) "Indecent for minors" has the same meaning as contained in § 11-31-10(b).

(13) "Knowingly" has the same meaning as contained in § 11-31-1(b)(3).

(14) "Live adult entertainment establishment" means a business in which, as its major activity, customers congregate primarily for the purpose of viewing or associating with employees who display anatomical areas designed to promote sexual arousal or sexual gratification: human genitals, the immediate pubic region, or pubic hair; buttocks to the extent of exposing the immediate anal area; female breasts to points below the nipples; male genitals in a
state of erection, even if covered with opaque clothing; all of the above anatomical areas when covered only by transparent or diaphanous clothing.

(15) "Minor" has the same meaning as defined in § 11-9-1.3(c).

(16) "Non-government group" means a nonprofit organization exempt from federal income taxation, under Section 501(c)(3), Internal Revenue Code of 1986, and as having as its primary purpose: ending sexual violence in this state, advancing programs for the prevention of sexual violence, promoting outreach programs, and providing technical assistance to and support of youth and rape crisis centers while doing anything to uphold community standards of decency.

(17) "Nude" means nudity as defined in § 11-31-10(b).

(18) "Obscene" has the same meaning as contained in § 11-31-1(b) and the term shall include websites that:

(i) Are known to facilitate human trafficking or prostitution; and

(ii) Display or depict images that are indecent to minors or that constitute sadomasochistic abuse, sexual conduct, or revenge pornography.

(19) "Personal identification information" means any information that identifies a person, including an individual's photograph, social security number, driver identification number, name, email address, address or telephone number.

(20) "Prostitution" means the profession of performing sexual acts for a fee and as described as a criminal offense by § 11-34.1-2(a).

(21) "Retailer" means any person who regularly engages in the manufacturing, sale, offer for sale or lease of Internet-enabled device or services in this state that make content accessible on the Internet. The term includes Internet service providers and suppliers and manufacturers of Internet-enabled devices that materially play a role in distributing content on the Internet or that make content accessible that are subject to the jurisdiction of this state.

(22) "Revenge pornography" means the distribution of sexually explicit images or video of individuals, without their permission.

(23) "Sexual conduct" has the same meaning as defined in § 11-31-1(b).

(24) "Social media website" means an Internet website or application that enables users to communicate with each other by posting information, comments, messages, or images and that meets all of the following requirements:

(i) Is open to the public;

(ii) Has more than seventy-five million (75,000,000) subscribers;

(iii) From its inception has never been specifically affiliated with any one religion or political party; and
(iv) Provides a means for the website's users to report obscene materials and has in place procedures for evaluating those reports and removing obscene material.


(a) A retailer that manufactures, sells, offers for sale, leases, or distributes an Internet-enabled device shall ensure that the product is equipped with an active and operating filter, prior to sale, that blocks by default websites that:

(1) Are known to facilitate human trafficking or prostitution; and

(2) Display child pornography, revenge pornography, or obscene material indecent for minors.

(b) A retailer that manufactures, sells, offers for sale, leases, or distributes an Internet-enabled device shall:

(1) Make reasonable and ongoing effort to ensure that a product's filter functions properly;

(2) Establish a reporting mechanism, such as a website or call center, to allow a consumer to report unblocked websites displaying content described in subsection (a) of this section or to report blocked websites that are not displaying content described in subsection (a) of this section:

(3) Report child pornography received through the reporting mechanism to the National Center For Missing and Exploited Children's cyber-tipline in accordance with 18 U.S.C. 2258A;

(4) Not block access to websites that:

(i) Are social media websites that provide a means for the website's users to report obscene materials and have in place procedures for evaluating those reports and removing obscene material;

(ii) Serve primarily as a search engine; or

(iii) Display complete movies that meet the standards for a "G," “PG,” “PG-13,” or "R" rating designation by the Classification and Ratings Administration, as those standards existed on September 1, 2020.

(c) Except as provided by subsection (d) of this section, a retailer may not provide to a consumer methods, source code, or other operating instructions for deactivating a product's filter.

(d) A retailer of an Internet-enabled device shall deactivate the filter after a consumer:

(1) Requests that the capability be disabled;

(2) Presents personal identification information to verify that the consumer is eighteen years of age or older;

(3) Acknowledges receiving a warning regarding the potential danger of deactivating the filter; and
(4) Pays a one-time twenty dollar ($20.00) filter deactivation fee, to be remitted quarterly to the division of taxation, to be deposited into the Rhode Island human trafficking and child exploitation prevention grant fund established by § 6-58-8(a).

e) The filter deactivation fee in subsection (d)(4) of this section is not content-based but collected and remitted to the division of taxation to help the state bear the costs of upholding community standards of decency and of combating sex-related offenses and is to be used as set forth in § 6-58-8(e). The division of taxation shall proscribe the administration, payment, collection and enforcement of the fee imposed by subsection (d)(4) of this section. The division of taxation may annually adjust the one-time fee to account for inflation.

(f) Nothing in this chapter shall be construed to prevent a retailer of an Internet-enabled device from charging a reasonable separate fee to deactivate the filter, which it may retain for profit.

(g) The attorney general shall prepare and make available to retailers a form that includes all content that must be contained in the warning described in subsection (d)(3) of this section.

(h) Nothing in this chapter shall be construed to require a retailer of an Internet-enabled device to create a database or registry which contains the names or personal identification information of adults who knowingly have chosen to deactivate a product’s filter. A retailer of an Internet-enabled device shall protect the privacy rights of adult consumers under this section and shall not disclose the names or personal identification information of any adult consumer who has decided to deactivate a product’s filter.

6-58-5. Civil action; Deceptive trade practice; Affirmative defense.

(a) Pursuant to § 6-58-4(b)(2), if the filter blocks a website that is not displaying content as described in § 6-58-4(a) and the block is reported to a call center or reporting mechanism, the website shall be unblocked within a reasonable time, but in no event later than five (5) business days after the block is first reported. A consumer may seek judicial relief to unblock a website that was wrongfully blocked by the filter. The prevailing party in a civil litigation may seek attorney fees, costs, and other forms of relief.

(b) Pursuant to § 6-58-4(b)(2), if a retailer of an Internet-enabled device is unresponsive to a report of a website displaying content as described in § 6-58-4 that has breached the filter, the attorney general or a consumer may file a civil suit. The attorney general or a consumer may seek damages of up to five hundred dollars ($500) for each website that was reported but not subsequently blocked. The prevailing party in the civil action may seek attorneys’ fees, cost, and other forms of relief.

(c) A retailer that fails to comply with a duty described in subsection (a) or (b) of this
section has engaged in an unfair or deceptive trade practice in violation of § 6-13.1-2 and is subject to the civil remedies of § 6-13.1-5.

(d) It shall be an affirmative defense in a civil action, to a charge of violating this chapter that the dissemination of the content described in § 6-58-4, was limited to institutions or organizations having scientific, educational, or other similar justifications for displaying the material.

6-58-6. Unlawful act; Penalties.

(a) A retailer of an Internet-enabled device is guilty of an offense if it knowingly:

(1) Sells an Internet-enabled device without activated blocking capability that at least makes an attempt to block by default websites that display content described in § 6-58-4;

(2) Violates § 6-58-4(c);

(3) Fails to comply with the requirements of § 6-58-4(d) before deactivating a product's filter.

(b) A retailer shall be fined no more than one thousand dollars ($1,000) for a first offense and no more than two thousand five hundred dollars ($2,500) for any subsequent offenses.

(c) A retailer that commits an offense, after having a prior conviction, under subsection (a) of this section, shall have committed a misdemeanor.

(d) A retailer that commits an offense under subsection (a) of this section has engaged in an unfair or deceptive trade practice in violation of § 6-13.1-2 and shall be subject to the civil remedies of § 6-13.1-5.

(e) Only the attorney general can enforce this section.


(a) This chapter shall not apply to:

(1) An occasional sale of an Internet-enabled device by a person that is not regularly engaged in the trade business of selling Internet-enabled devices;

(2) Products produced or sold before its enactment; and

(3) Independent third-party routers that are not affiliated with an Internet service provider.

(4) A retailer that manufactures, sells, offers for sale, leases, or distributes Internet-enabled devices which are not subject to the jurisdiction of this state.


(a) There is established in the general treasurer's office, a special fund to be known as the "Rhode Island Human Trafficking and Child Exploitation Prevention Grant Fund" (the "fund")
which shall be administered by the attorney general or their designee.

(b) The purpose of the fund is:

1. To promote the development throughout the state, of locally-based and supported nonprofit programs for the survivors of sexual-related offenses and to promote and support the quality of services provided;

2. To empower any government and, especially, non-government groups, working to uphold community standards of decency, to protect children, to strengthen families, and to reduce the costs of sex-related offenses; and

3. Not to promote a culture of perpetual victimhood, but to maximize human flourishing and to protect the public's safety, health, and welfare.

(c) The fund's purpose shall be interpreted broadly to meet the evolving needs of the state.

(d) The fund shall consist of:

1. Deactivation fees collected by the department of taxation, from retailers of Internet-enabled devices under § 6-58-4(d)(4);

2. Admission fees collected by the department of taxation from live adult entertainment establishments under § 6-58-9(a); and

3. Any other appropriations, gifts, grants, donations, and bequests.

(e) Money deposited into the fund may be used only by:

1. The attorney general or the attorney general's designee for grants to government and, especially, non-government entities and individuals that are working to uphold community standards of decency, to protect children, to strengthen families, or to develop, expand, or strengthen problems for victims of human trafficking or child exploitation, by providing grants for the following:

   (i) The needs of the council on human trafficking, as established by § 11-67.1-19;

   (ii) The needs of any human trafficking task force or human trafficking coalition based in Rhode Island;

   (iii) The needs of victims;

   (iv) Services necessary to help women with substance abuse problems, stay clean;

   (v) The payment of counselors and victim advocates, who are trained to assist victims of domestic violence and sexual abuse;

   (vi) Shelters for women, particularly those who have been exposed to prostitution or sex trafficking;

   (vii) Research-based organizations;
(viii) Faith-based organizations working to uphold community standards of decency and assisting victims of human trafficking or other sex offenses;

(xi) Child advocacy centers;

(x) Organizations that provide legal advocacy to abused, neglected, and at-risk children;

(xi) Physical and mental health services;

(xii) Temporary and permanent housing placement;

(xiii) Employment, placement, education, training;

(xiv) Independent school districts;

(xv) Family counseling and therapy;

(xvi) Law enforcement;

(xvii) Musical, writing, design, cinematic, or pictorial creative art projects that promote decency,

(xviii) Regional nonprofit providers of civil legal services to provide legal assistance for sexual assault victims;

(xix) Grants to support technology in rape crisis centers;

(xx) Sexual violence awareness and prevention campaigns; and

(xxi) Scholarships for students demonstrating outstanding character or leadership skills.

(f) Any other state agency or organization for the purpose of conducting human trafficking enforcement programs or to uphold community standards of decency.

(g) Notwithstanding any law to the contrary, interest accruing on investments and deposits of the fund, shall be credited to the fund and shall not be transferred to the general fund, and shall be carried forward into subsequent fiscal years.

(h) Any fund balance existing at the end of a fiscal year shall not be transferred to the general fund, but shall be carried forward into the subsequent fiscal year.

(i) The attorney general or the attorney general’s designee shall evaluate activities conducted under this section each year and on or before February 15, and shall submit an annual report containing its evaluation to the secretary of the senate and the clerk of the house of representatives and notify the legislature that the report is available. The report must include:

(1) The amount of filter deactivation fees received under § 6-58-4(d)(4);

(2) The amount of admission fees received under § 6-58-9(a);

(3) The manner in which the funds in the account maintained under subsection (e) of this section were distributed; and

(4) The manner in which each entity receiving a grant under subsection (e) of this section used the grant money.
(j) The attorney general or the attorney general's designee may by rule:

(1) Determine eligibility requirements for any grant awarded under this section;
(2) Require a grant recipient to offer minimum services for a period of time before receiving a grant and to continue to offer minimum services during the grant period; and
(3) Require a grant recipient to submit financial and programmatic reports.

(k) The attorney general or the attorney general's designee shall not annually spend more than ten percent (10%) of the available funds for the administration of the fund.


(a) A five dollar ($5.00) admission fee shall be imposed for each entry by each customer, admitted to a live adult entertainment establishment, to be remitted quarterly to the department of taxation and deposited into the Rhode Island human trafficking and child exploitation prevention grant fund established by § 6-58-8(a). The department of taxation shall prescribe the method of administration, payment, collection and enforcement of the fee imposed by this section.

(b) The admission fee is not content based but imposed and remitted to the state to offset secondary harmful effects and to help the state uphold community standards of decency and to combat sex-related crimes and is to be used as set forth by § 6-58-9(a).

(c) The admission fee is in addition to all other taxes imposed on the business that offers adult entertainment.

(d) Each live adult entertainment establishment shall record daily in the manner required by the department of taxation the number of customers admitted to the business. The business shall maintain the records for the period required by the department of taxation and make the records available only for inspection and audit on request by the department of taxation. The records shall not contain the names or personal information of any of the customers.

(e) This section does not require a live adult entertainment establishment to impose a tax on a customer of the business. A business has the discretion to determine the manner in which the business derives the money required to pay the tax imposed under this section.

SECTION 2. The legislature recognizes some government and non-government groups in Rhode Island that have been either working to uphold community standards of decency or to combat sex-related offenses that could be prospective beneficiaries of the grant fund under § 6-56-8(a). They include:

(a) Rhode Island Human Trafficking Task Force, Sex Trafficking Law Enforcement Task Force, RI Advocacy for Children, Children's Advocacy Center of Bristol County, Day One, Plan USA, Because I am a Girl, Crossroads RI, Sojourner House Inc., Rhode Island Coalition for the Homeless, Holy Family Home for Mothers and Children, Advent House Inc., Domestic Violence...
Resource Center of South County, Crossroads Family Shelter, House of Hope Community Development Corporation, Lucy's Hearth, Community Care Alliance, Women's Resource Center Newport County, Warm Shelter Inc., Children's Shelter-Blackstone, Welcome House of South County, Women's Resource Center, Amos House, Urban League of RI, Crossroads Rhode Island, Providence Rescue Mission; Crossroads RI (Providence); Rhode Island Coalition for the Homeless (Pawtucket); Crossroads RI (West Warwick); Crossroads Family Shelter (Seekonk); House of Hope Community Development Corporation (Warwick); Lucy's Hearth (Middletown); Advent House Inc. (Providence); Holy Family Home for Mothers and Children (Providence); Community Care Alliance (Woonsocket); Children's Shelter Blackstone (Pawtucket); Verizon Company Homeless Shelter (Pawtucket); Urban League of RI (Providence); Providence Rescue Mission (Providence); Warm Shelter Inc. (Westerly); Welcome House of South County (Wakefield); Amos House (Providence); Sojourner House Inc. (Providence); East Bay Coalition For Homeless (Riverside); Crossroads Rhode Islands (North Kingstown); Rhode Island Family Shelter (Warwick); Tanner House (Providence); Blackstone Valley Advocacy Center (Central Falls); McAuley House (Providence); Camp Street Community Ministries (Providence); WARM Center Administration (Westerly); Emmanuel Men Shelter (Providence); Domestic Violence Resource Center of South County (Wakefield); Elizabeth Buffum Chace Center (Warwick); Women's Resource Center Newport County: Office (Newport); The Salvation Army of Pawtucket, RI (Pawtucket); YWCA (Woonsocket); Family Resource Center (Attleboro); Elizabeth Buffum Chace House (Warwick); Harvest Community Church (Woonsocket); Good Neighbors (Riverside); McAuley Village (Providence); Operation Stand Down (Johnston); The Salvation Army of Newport, RI (Newport); St Paul's Church (Pawtucket); Providence In-Town Churches Association (Providence); Women's Resource Center (Warren); McAuley Ministries (Providence); Rhode Island Veterans' Home Community Living Center (Providence); Habitat For Humanity of Rhode Island Greater Providence (Providence); St Joseph's Rectory (Newport); YWCA Greater RI (Central Falls): Habitat for Humanity for Rhode Island South County (Charlestown); Community Care Alliance (Woonsocket); Cumberland Manor (Cumberland); Project Hope (Providence); The Salvation Army of Providence, RI (Providence); North American Family Institute (Warwick); Eastbay Community Action Program (Tiverton); Church Community Housing Corporation (Newport); Catholic Social Services (Fall River); Rebuilding Together (Providence); North American Family Insurance (Lincoln); Community Care Alliance (Woonsocket); Access Emergency Shelter (Danielson); Galilee Mission (Narragansett); Always Home (Mystic); Pawtucket Central Falls Development (Pawtucket); North American Family Institute (Pawtucket); Community Care Alliance (Woonsocket); North Kingstown Food Pantry
(North Kingstown); Blackstone Valley Emergency Food Center (Pawtucket); Housing Network of Rhode Island (Pawtucket); Parents Without Partners (Providence); Corp For Supportive Housing (Providence); Habitat For Humanity-West Bay (Warwick); Operation Stand Down (West Warwick); Joe's Sock Fund For Homeless (Attleboro); Neighborworks (Woonsocket); Council of Churches (Attleboro);

(b) Other similarly situated groups and individuals.

SECTION 3. This act shall take effect only after the passage, approval, ratification, and adoption, by four (4) other states, of similar legislation. Within ten (10) days of when the fourth state adopts legislation similar to this chapter then, the attorney general shall advise the governor, the speaker of the house of representatives, and the president of the senate, of the effective date of this act.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

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RELATING TO COMMERCIAL LAW--GENERAL REGULATORY PROVISIONS -- INDECENT DECEPTIVE TRADE PRACTICES, DUTIES OF CARRIERS COMMUNITY STANDARDS OF DECENCY, ADULT ENTERTAINMENT ESTABLISHMENTS -- HUMAN TRAFFICKING AND CHILD EXPLOITATION PREVENTION ACT

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1 This act would create a comprehensive statutory scheme to fund, address and support the
2 amelioration of human trafficking and child exploitation by regulating online pornographic
3 related websites. It also establishes a non-governmentally financed grant fund to help hinder
4 human trafficking and child exploitation, and by helping its victims.
5
6 This act would take effect after the passage, approval, ratification, and adoption, by four
7 (4) other states, of similar legislation. Within ten (10) days of when the fourth state adopts
8 legislation, similar to this act, then the attorney general shall advise the governor, the speaker of
9 the house of representatives, and the president of the senate, of the effective date of this act.

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