

SENATE BILL REPORT

ESHB 1471

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, April 1, 1999

Title: An act relating to unfair trade practices regarding business telephone listings.

Brief Description: Prohibiting deceptive telephone directory listings.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Conway, Crouse, Wood, Poulsen, Kessler and Thomas).

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 3/23/99, 4/1/99 [DP].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: Do pass.

Signed by Senators Shin, Vice Chair; Benton, Deccio, Gardner, Hale, Heavey, Rasmussen, T. Sheldon, West and Winsley.

Staff: David Pringle (786-7448)

Background: The Consumer Protection Act prohibits unfair or deceptive practices in commerce. The act may be enforced by private legal action or through a civil action by the Attorney General.

False advertising and false representations may constitute unfair and deceptive practices. Out-of-state firms may violate the Consumer Protection Act by pretending to be local businesses by using deceptive listings in local telephone directories and forwarding customer calls.

Nine states have enacted laws classifying this type of business activity as an unfair business practice.

Summary of Bill: A seller of flowers may not misrepresent its geographic location by listing a local telephone number in a local telephone directory if, without conspicuous disclosure, customer calls are routinely forwarded to a location outside the area covered by the directory. This does not apply to toll-free or 900 exchange numbers.

Sellers of flowers may not list a business name in a local telephone directory that misrepresents the business's geographic location if the listing fails to disclose the actual location.

The bill may be enforced according to the Consumer Protection Act.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This is a very deceptive practice and people are being fooled. While this bill is narrow in scope, we need to examine the effect on other industries too. Some out-of-state order takers cannot address consumer complaints, have no overhead, and pay fewer taxes than local businesses. There are big yellow pages– adds for these types of businesses using local numbers that are forwarded out of state. Some have names that are clearly designed to deceive. There is broad support for this bill from florists across the state. The cut taken from these order takers makes flower deliveries unprofitable for local florists. There has been no progress in resolving this problem within the industry association. Association efforts have not stopped corporate acceptance of these brokers' use of the flower ordering system, as only the local businesses are adversely effected.

Testimony Against: None.

Testified: PRO: Representative Conway, prime sponsor; Bruce Peterson, Brown's Flowers; Bob Crane, Crane's Creations; Bill Pattison, Heath's Flowerland.