

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1106

Chapter 31, Laws of 1999

56th Legislature
1999 Regular Session

PRIZE PROMOTIONS--DISCLOSURES

EFFECTIVE DATE: 7/25/99

Passed by the House March 4, 1999
Yeas 84 Nays 11

CLYDE BALLARD
**Speaker of the House of
Representatives**

FRANK CHOPP
**Speaker of the House of
Representatives**

Passed by the Senate April 6, 1999
Yeas 44 Nays 0

BRAD OWEN
President of the Senate

Approved April 19, 1999

GARY LOCKE
Governor of the State of Washington

CERTIFICATE

We, Dean R. Foster and Timothy A. Martin, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1106** as passed by the House of Representatives and the Senate on the dates hereon set forth.

DEAN R. FOSTER
Chief Clerk

TIMOTHY A. MARTIN
Chief Clerk

FILED

April 19, 1999 - 3:11 p.m.

**Secretary of State
State of Washington**

HOUSE BILL 1106

Passed Legislature - 1999 Regular Session

State of Washington 56th Legislature 1999 Regular Session

By Representatives Van Luven, Conway, Wood, Clements, Lisk and Esser

Read first time 01/14/1999. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to disclosures made for prize promotions; and
2 amending RCW 19.170.030.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.170.030 and 1991 c 227 s 3 are each amended to read
5 as follows:

6 (1) The offer must identify the name and address of the promoter
7 and the sponsor of the promotion.

8 (2) The offer must state the verifiable retail value of each prize
9 offered in it.

10 (3)(a) If an element of chance is involved, each offer must state
11 the odds the participant has of being awarded each prize. The odds
12 must be expressed in Arabic numerals, in ratio form, based on the total
13 number of prizes to be awarded and the total number of offers
14 distributed.

15 (b) If the promotion identified in the offer is part of a
16 collective promotion with more than one participating sponsor, that
17 fact must be clearly and conspicuously disclosed.

18 (c) The odds must be stated in a manner that will not deceive or
19 mislead a person about that person's chance of being awarded a prize.

1 (4) The verifiable retail value and odds for each prize must be
2 stated in immediate proximity on the same page with the first listing
3 of each prize in type at least as large as the typeface used in the
4 standard text of the offer.

5 (5) If a person is required or invited to view, hear, or attend a
6 sales presentation in order to claim a prize that has been awarded, may
7 have been awarded, or will be awarded, the requirement or invitation
8 must be conspicuously disclosed under subsection (7) of this section to
9 the person in the offer in bold-face type at least as large as the
10 typeface used in the standard text of the offer (~~on the first page of~~
11 ~~the offer~~)).

12 (6) No item in an offer may be denominated a prize, gift, award,
13 premium, or similar term that implies the item is free if, in order to
14 receive the item or use the item for its intended purpose the intended
15 recipient is required to spend any sum of money, including but not
16 limited to shipping fees, deposits, handling fees, payment for one item
17 in order to receive another at no charge, or the purchase of another
18 item or the expenditure of funds in order to make meaningful use of the
19 item awarded in the promotion. The payment of any applicable state or
20 federal taxes by a recipient directly to a government entity is not a
21 violation of this section.

22 (7) If the receipt of the prize is contingent upon certain
23 restrictions or qualifications that the recipient must meet, or if the
24 use or availability of the prize is restricted or qualified in any way,
25 including, but not limited to restrictions on travel dates, travel
26 times, classes of travel, airlines, accommodations, travel agents, or
27 tour operators, the restrictions or qualifications must be disclosed on
28 the offer in immediate proximity on the same page with the first
29 listing of the prize in type at least as large as the typeface used in
30 the standard text of the offer or, in place thereof, the following
31 statement printed in direct proximity to the prize or prizes awarded in
32 type at least as large as the typeface used in the standard text of the
33 offer:

34 (~~"Major restrictions may apply to the use, availability, or~~
35 ~~receipt of the prize(s) awarded."~~) "Details and qualifications
36 for participation in this promotion may apply."

37 This statement must be followed by a disclosure, in the same size
38 type as the statement, indicating where in the offer the restrictions

1 may be found. The restrictions must be printed in type at least as
2 large as the typeface used in the standard text of the offer.

3 (8) If a prize will not be awarded or given unless a winning
4 ticket, the offer itself, a token, number, lot, or other device used to
5 determine winners in a particular promotion is presented to a promoter
6 or a sponsor, this fact must be clearly stated on the first page of the
7 offer.

Passed the House March 4, 1999.

Passed the Senate April 6, 1999.

Approved by the Governor April 19, 1999.

Filed in Office of Secretary of State April 19, 1999.