
SUBSTITUTE HOUSE BILL 1227

State of Washington

58th Legislature

2003 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Pflug, Wood, Conway and Chandler)

READ FIRST TIME 02/10/03.

1 AN ACT Relating to promotional contests of chance; and amending RCW
2 9.46.0356.

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

4 **Sec. 1.** RCW 9.46.0356 and 2000 c 228 s 1 are each amended to read
5 as follows:

6 (1) The legislature authorizes a business to conduct a promotional
7 contest of chance as defined in this section, in this state, or
8 partially in this state, whereby the elements of prize and chance are
9 present but in which the element of consideration is not present.

10 (2) Promotional contests of chance under this section are not
11 gambling as defined in RCW 9.46.0237.

12 (3) Promotional contests of chance shall be conducted as
13 advertising and promotional undertakings solely for the purpose of
14 advertising or promoting the services, goods, wares, and merchandise of
15 a business.

16 (4) No person eligible to receive a prize in a promotional contest
17 of chance may be required to:

18 (a) Pay any consideration to the promoter or operator of the
19 business in order to participate in the contest; or

1 (b) Purchase any service, goods, wares, merchandise, or anything of
2 value from the business, however, for other than contests entered
3 through a direct mail solicitation, the promoter or sponsor may give
4 additional entries or chances upon purchase of service, goods, wares,
5 or merchandise if the promoter or sponsor provides an alternate method
6 of entry requiring no consideration.

7 (5)(a) As used in this section, "consideration" means anything of
8 pecuniary value required to be paid to the promoter or sponsor in order
9 to participate in a promotional contest. Such things as visiting a
10 business location, placing or answering a telephone call, completing an
11 entry form or customer survey, or furnishing a stamped, self-addressed
12 envelope do not constitute consideration.

13 (b) Coupons or entry blanks obtained by purchase of a bona fide
14 newspaper or magazine or in a program sold in conjunction with a
15 regularly scheduled sporting event are not consideration.

16 (6)(a) Vending machines that determine the outcome of a contest are
17 prohibited from use in a promotional contest.

18 (b) Unless authorized by the commission, equipment or devices made
19 for use in a gambling activity are prohibited from use in a promotional
20 contest.

21 (7) This section shall not be construed to permit noncompliance
22 with chapter 19.170 RCW, promotional advertising of prizes, and chapter
23 19.86 RCW, unfair business practices.

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