

HOUSE BILL REPORT

EHB 1422

As Passed Legislature

Title: An act relating to misrepresentation of the geographic location of floral product businesses.

Brief Description: Concerning misrepresentation of a floral product business's geographic location and advertising requirements for floral product businesses.

Sponsors: Representatives Scott, Griffey and Condotta.

Brief History:

Committee Activity:

Business & Financial Services: 2/3/15, 2/4/15 [DP].

Floor Activity:

Passed House: 3/2/15, 94-3.

Senate Amended.

Passed Senate: 4/14/15, 44-5.

House Concurred.

Passed House: 4/16/15, 96-0.

Passed Legislature.

Brief Summary of Engrossed Bill

- Prohibits floral businesses from misrepresenting the location of their business in a listing or advertisement unless the actual location is identified.
- Provides that the exclusive punishment for a violation of the act is a fine of up to \$250.

HOUSE COMMITTEE ON BUSINESS & FINANCIAL SERVICES

Majority Report: Do pass. Signed by 11 members: Representatives Kirby, Chair; Ryu, Vice Chair; Vick, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Blake, G. Hunt, Hurst, Kochmar, McCabe, Santos and Stanford.

Staff: Linda Merelle (786-7092).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In 1999 the Legislature enacted provisions that prohibited florists from misrepresenting their geographic location. Under the law, where there is no conspicuous disclosure of the locality and state where the business is actually located, a floral business may not misrepresent its location by:

- listing a local telephone number in a local telephone directory if the calls to the number are routinely forwarded or otherwise transferred to a business location outside of the calling area covered by the directory; or
- listing a business name in a local telephone directory if the name misrepresents the business's geographic location.

A violation of these provisions is an unfair or deceptive act in trade or commerce and an unfair method of competition in violation of the Consumer Protection Act.

Summary of Engrossed Bill:

Businesses that provide floral or ornamental products or services are not permitted to list a local telephone number in an advertisement or listing unless the true physical address, including the city, is identified. If such a business lists a fictitious or assumed business name in any advertisement or listing that misrepresents the geographical location of the business, it must identify the true location of the business including the city and state.

If a business violates any of these prohibitions, the exclusive maximum punishment is a fine of \$250. The prohibitions in this act do not apply to a publisher of a telephone directory or other publication; a provider of directory assistance; an Internet website that aggregates business information; or an Internet service provider.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) A nonlocal large online business can masquerade as a local business. After receiving orders the company forwards the information to a local business which leads customers to believe that they are ordering from a local company. If there is a problem, the customers are unable to seek any redress for poor service. Online florists take a large sum of money and give the local florist only a small amount. One particular online company has deceived many clients. These businesses skim off the top and hurt the reputations of local businesses. Nine states have already passed similar legislation to this bill. The current law prohibits the misrepresentation of a geographical location in local directories, and this bill would bring the law into the new century by adding the prohibition against misrepresentations on a website.

(Opposed) None.

Persons Testifying: Representative Scott, prime sponsor; Joanie Deutsch, Washington Retail Association; and Wendy Damoth, Flower Lab.

Persons Signed In To Testify But Not Testifying: None.