
HOUSE BILL 2184

State of Washington

52nd Legislature

1991 Regular Session

By Representative Nelson.

Read first time March 13, 1991. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to going-out-of-business advertisements by
2 retailers of goods; and adding a new chapter to Title 19 RCW.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that a going-out-
5 of-business sale is an effective way for a business to liquidate its
6 assets before going out of business. Such sales also offer consumers
7 excellent bargains for products they would not ordinarily buy.
8 Therefore, the legislature declares that a business that falsely
9 advertises a going-out-of-business sale, or uses the pretense of going
10 out of business to sell nonsale goods, harms the business community of
11 this state and deceptively attracts consumers who would normally not
12 patronize the business.

1 NEW SECTION. **Sec. 2.** Unless the context clearly requires
2 otherwise, the definitions in this section apply throughout this
3 chapter.

4 (1) "Advertisement" means a publication, broadcast, or display of
5 a communication in any form including, but not limited to, an ad in a
6 newspaper or other publication, notice, hand-bill, poster, bill,
7 circular, pamphlet, or letter that is intended to induce or attract the
8 public to the premises of the business for the purposes of buying
9 goods.

10 (2) "Advertise" means to cause directly or indirectly the
11 publication, broadcast, dissemination, or display of an advertisement.

12 (3) "Business" means a natural person, corporation, trust,
13 unincorporated association, or partnership that sells or contracts to
14 sell goods.

15 (4) "Goods" has the meaning provided in RCW 62A.2-105.

16 (5) "Out of business" means to have stopped transacting sales with
17 the public and have liquidated or removed all assets and inventory of
18 the business from the location to which the advertisement applies.

19 NEW SECTION. **Sec. 3.** (1) After the effective date of this
20 act, a business that advertises a going-out-of-business sale, or
21 implies through an advertisement that it is going out of business,
22 shall:

23 (a) Include in the advertisement a specific date on which it will
24 no longer transact sales with the public;

25 (b) Include in the advertisement the price range at which the
26 business normally would offer specific classes of goods and the price
27 range at which it will offer those classes of goods at its going-out-
28 of-business sale;

1 (c) Offer for sale only those goods that are at the location to
2 which the advertisement applies sixty days before the advertisement is
3 first advertised; and

4 (d) Go out of business within thirty days of the advertised date
5 required in this subsection.

6 (2) The specific date on which the business will no longer transact
7 business with the public under subsection (1)(a) of this section must
8 not be more than thirty days from the date of the first advertisement.

9 (3) If a business conducts business out of more than one location,
10 it must list the locations in its advertisement that are participating
11 in the going-out-of-business sale. This section applies only to those
12 locations listed in the advertisement.

13 NEW SECTION. **Sec. 4.** The advertising of going-out-of business
14 sales is a matter affecting the public interest for the purpose of
15 applying chapter 19.86 RCW. The violation of this chapter is not
16 reasonable in relation to the development and preservation of business.
17 A violation of this chapter constitutes an unfair or deceptive act or
18 practice in trade or commerce for the purpose of applying chapter 19.86
19 RCW.

20 NEW SECTION. **Sec. 5.** This chapter does not supersede any
21 ordinance or rule of a city, town, municipal corporation, or county
22 that is consistent with the intent of the legislature and that allows
23 the respective enforcement agency or a private citizen who is harmed to
24 pursue a civil action in its courts.

25 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act shall
26 constitute a new chapter in Title 19 RCW.