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HOUSE BILL 1227

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State of Washington                      58th Legislature                      2003 Regular Session

By Representatives Pflug, Wood, Conway and Chandler

Read first time 01/21/2003.      Referred to Committee on Commerce & Labor.

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 and purchases are not transacted  
7 through vending machines.

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

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

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

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

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