

This bill addresses these deceptive sweepstakes and cashier's checks look-alikes by requiring up-front, clear and easy to read Honesty in Sweepstakes disclosures that will help protect consumers by counterbalancing false promises and deception. While honest and straight-forward sweepstakes promoters have nothing to fear from this bill, those promotions that revert to false and deceptive tactics will feel the heat.

The Honesty in Sweepstakes Act of 1999 is a refined version of my original legislation, S. 2141, that I introduced during the 105th Congress. The bill I am introducing today incorporates valuable input I received during a Senate hearing on S. 2141 and from productive discussions and negotiations involving key interested parties. Included among those who have made valuable contributions are: my Senate colleagues; the U.S. Postal Service; the General Accounting Office; Attorneys General from several states including Colorado, Florida, Michigan and New York; the American Association of Retired Persons; the Consumer Federation of America; the National Consumers League; the Direct Marketing Association; the Magazine Publishers of America and other industry representatives and experts. I want to thank them for their contributions to the Honesty in Sweepstakes Act of 1999.

The AARP has informed me that "Research has shown that older Americans may be particularly vulnerable to techniques used by sweepstakes companies. At times they end up purchasing products that they do not want in the hopes of improving their chances of winning. Additionally, it has been shown that participation in these sweepstakes can lead to a rise in the number of telemarketing calls a person receives as well as an increase in mailed solicitations."

The Honesty in Sweepstakes Act of 1999 will go a long way toward protecting our nation's seniors and other vulnerable consumers from misleading and deceptive sweepstakes promotions. The most vulnerable consumers among us deserve this protection. I urge my colleagues to support this legislation.

I ask unanimous consent that this bill and a letter from the AARP be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. 301

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. HONESTY IN SWEEPSTAKES ACT OF 1999.**

(a) **SHORT TITLE.**—This Act may be cited as the "Honesty in Sweepstakes Act of 1999".

(b) **UNMAILABLE MATTER.**—Section 3001 of title 39, United States Code, is amended by—

(1) redesignating subsections (j) and (k) as subsections (l) and (m), respectively; and

(2) inserting after subsection (i) the following:

"(j)(1) Matter otherwise legally acceptable in the mails that—

"(A) constitutes a solicitation or offer in connection with the sales promotion for a product or service (including any sweepstakes) that includes the chance or opportunity to win anything of value; and

"(B) contains words or symbols that suggest that—

"(i) the recipient has or will receive anything of value if that recipient has in fact not won that thing of value; or

"(ii) the recipient is likely to receive anything of value if statistically the recipient is not likely to receive anything of value,

shall not be carried or delivered by mail, and may be disposed of as the Postal Service directs, unless such matter bears the notice described in paragraph (2).

"(2)(A) The notice referred to in paragraph (1) is the following notice:

"(i) 'This is a game of chance (or sweepstakes, if applicable). You have not automatically won. Your chances of winning are (inserting corresponding mathematical probability for each prize shown). No purchase is required either to win a prize or enhance your chances of winning a prize.', or a notice to the same effect in words which the Postal Service may prescribe; or

"(ii) a standardized Postal Service designed warning label to the same effect as the Postal Service may prescribe.

"(B) The notice described in subparagraph (A) shall be in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations that the Postal Service shall prescribe and be prominently displayed on the first page of the enclosed printed material and on any other pages enclosed.

"(C) If the matter described in paragraph (1) is an envelope, the face of the envelope shall bear the notice described in subparagraph (A).

"(D) If the matter described in paragraph (1) is an order entry device, the face of the order entry device shall bear the following notice:

"'This is a game of chance (or sweepstakes, if applicable). No purchase is required either to win a prize or enhance your chances of winning a prize.', or a notice to the same effect in words which the Postal Service may prescribe.

"(k) Matter otherwise legally acceptable in the mails that constitutes a solicitation or offer in connection with the sales promotion for a product or service that uses any matter resembling a negotiable instrument shall not be carried or delivered by mail, and may be disposed of as the Postal Service directs, unless such matter bears on the face of the negotiable instrument in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postal Service shall prescribe the following notice: 'This is not a check (or negotiable instrument). This has no cash value.', or a notice to the same effect in words which the Postal Service may prescribe."

(c) **TECHNICAL AMENDMENT.**—Section 3005(a) of title 39, United States Code, is amended by—

(1) striking "or" after "(h)," both places it appears; and

(2) inserting ", (j), or (k)" after "(i)".

(d) **PENALTIES.**—

(1) **IN GENERAL.**—Section 3012 of title 39, United States Code, is amended—

(A) by redesignating subsections (b), (c), and (d), as subsections (c), (d), and (e), respectively;

(B) by inserting after subsection (a) the following:

"(b) Any person who, through use of the mail, sends any matter which is nonmailable under sections 3001 (a) through (k), 3014, or 3015 of this title, shall be liable to the United States for a civil penalty in accordance with regulations the Postal Service shall prescribe. The civil penalty shall not exceed \$50,000 for each mailing of less than 50,000 pieces; \$100,000 for each mailing of 50,000 to 100,000 pieces; with an additional \$10,000 for each additional 10,000 pieces above 100,000, not to exceed \$2,000,000."

(C) in subsection (c)(1) and (2), as redesignated, by inserting after "of subsection (a)" the following: "or subsection (b)."; and

(D) in subsection (d), as redesignated, by striking "Treasury of the United States" and inserting "Postal Service Fund established by section 2003 of this title".

(2) **ALLOCATION OF FUNDS.**—It is the sense of Congress that civil penalties collected through the enforcement of the amendment made by paragraph (1) should be allocated by the Postal Service to increase consumer awareness of misleading solicitations received through the mail, including releasing an annual listing of the top 10 offenders of the Honesty in Sweepstakes Act of 1999.

(e) **NO PREEMPTION.**—Nothing in this Act shall preempt any State law that regulates advertising or sales promotions or goods and services that includes the chance or opportunity to win anything of value.

AARP,

Washington, DC, January 22, 1999.

Hon. BEN NIGHORSE CAMPBELL,  
Russell Senate Office Building, Washington,  
DC.

DEAR SENATOR CAMPBELL: AARP thanks you for drawing attention to the problem of deceptive and misleading sweepstakes solicitations by introducing the "Honesty in Sweepstakes Act of 1999." Research has shown that older Americans may be particularly vulnerable to techniques used by sweepstakes companies. At times they end up purchasing products that they do not want in the hopes of improving their chances of winning. Additionally, it has been shown that participation in these sweepstakes can lead to a rise in the number of telemarketing calls a person receives as well as an increase in mailed solicitations.

AARP appreciates your efforts on behalf of consumers to eradicate the practice of fraudulent sweepstakes mailings through the introduction of the "Honesty in Sweepstakes Act of 1999." We look forward to working with you and other Members on a bi-partisan basis to address this issue in the 106th Congress.

Sincerely,

HORACE B. DEETS. ●

**ADDITIONAL COSPONSORS**

S. 6

At the request of Mr. DASCHLE, the names of the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 6, a bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 10

At the request of Mr. DASCHLE, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 10, a bill to provide health protection and needed assistance for older Americans, including access to health insurance for 55 to 65 year olds, assistance for individuals with long-term care needs, and social services for older Americans.

S. 16

At the request of Mr. DASCHLE, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 16, a bill to reform the Federal election campaign laws applicable to Congress.

S. 17

At the request of Mr. DODD, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 17, a bill to increase the availability, affordability, and quality of child care.

S. 18

At the request of Mr. HARKIN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 18, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through enhanced enforcement.

S. 49

At the request of Mr. MURKOWSKI, his name was added as a cosponsor of S. 49, a bill to amend the wetlands program under the Federal Water Pollution Control Act to provide credit for the low wetlands loss rate in Alaska and recognize the significant extent of wetlands conservation in Alaska property owners, and to ease the burden on overly regulated Alaskan cities, boroughs, municipalities, and villages.

S. 56

At the request of Mr. KYL, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 56, a bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers.

S. 75

At the request of Mr. LUGAR, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 75, a bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers.

S. 76

At the request of Mr. LUGAR, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 76, a bill to phase-out and repeal the Federal estate and gift taxes and the tax on generational-skipping transfers.

S. 77

At the request of Mr. LUGAR, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cospon-

sor of S. 77, a bill to increase the unified estate and gift tax credit to exempt small businesses and farmers from estate taxes.

S. 78

At the request of Mr. LUGAR, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 78, a bill to amend the Internal Revenue Code of 1986 to increase the gift tax exclusion to \$25,000.

S. 241

At the request of Mr. JOHNSON, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 241, a bill to amend the Federal Meat Inspection Act to provide that a quality grade label issued by the Secretary of Agriculture for beef and lamb may not be used for imported beef or imported lamb.

S. 242

At the request of Mr. JOHNSON, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 242, a bill to amend the Federal Meat Inspection Act to require the labeling of imported meat and meat food products.

S. 254

At the request of Mr. HATCH, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 254, a bill to reduce violent juvenile crime, promote accountability by rehabilitation of juvenile criminals, punish and deter violent gang crime, and for other purposes.

S. 258

At the request of Mr. MCCAIN, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 258, a bill to authorize additional rounds of base closures and realignments under the Defense Base Closure and Realignment Act of 1990 in 2001 and 2003, and for other purposes.

S. 271

At the request of Mr. FRIST, the names of the Senator from Oklahoma (Mr. NICKLES), the Senator from Alabama (Mr. SESSIONS), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Wyoming (Mr. THOMAS), the Senator from Arkansas (Mrs. LINCOLN), and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of S. 271, a bill to provide for education flexibility partnerships.

S. 277

At the request of Mr. COVERDELL, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 277, a bill to improve elementary and secondary education.

S. 280

At the request of Mr. FRIST, the names of the Senator from Oklahoma (Mr. NICKLES) and the Senator from Alabama (Mr. SESSIONS) were added as a cosponsor of S. 280, a bill to provide for education flexibility partnerships.

SENATE JOINT RESOLUTION 2

At the request of Mr. KYL, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of Senate Joint Resolution 2, a joint resolution proposing an amendment to the Constitution of the United States to require two-thirds majorities for increasing taxes.

SENATE JOINT RESOLUTION 3

At the request of Mr. KYL, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of Senate Joint Resolution 3, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims.

SENATE RESOLUTION 22

At the request of Mr. CAMPBELL, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of Senate Resolution 22, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives serving as law enforcement officers.

#### SENATE CONCURRENT RESOLUTION 3—CONDEMNING THE IRREGULAR INTERRUPTION OF THE DEMOCRATIC POLITICAL INSTITUTIONAL PROCESS IN HAITI

Mr. DEWINE (for himself, Mr. GRAHAM, Mr. HELMS, and Mr. COVERDELL) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 3

Whereas, in 1991 at Santiago, Chile, the Organization of American States (OAS) approved Resolution 1080 to deter irregular interruptions of the democratic political institutional process within countries having democratically elected governments;

Whereas the OAS invoked Resolution 1080 (1991) and called for a meeting of the foreign ministers in 1991 to determine appropriate actions in response to the coup d'etat against Haiti's elected President Jean-Bertrand Aristide;

Whereas the legacy of fiat and abuse of the Duvalier dictatorship led the framers of the 1987 Haitian constitution to provide for clear separation of powers;

Whereas the 1987 Haitian constitution permanently vests all legislative authority in the National Assembly and does not provide for rule by decree by the president;

Whereas on January 11, 1999, President Preval seized dictatorial powers by effectively dissolving Haiti's parliament and announcing he will rule by decree; and

Whereas this irregular interruption of the democratic political institutional process requires immediate international attention and action to bring about a return to democracy in that country: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring), That the Senate—*

(1) condemns the irregular interruption of the democratic political institutional process and considers that interruption to be a serious blow to democracy in Haiti and a serious threat to democracy in the Caribbean region and the Hemisphere;

(2) calls on the Government of Haiti forthwith to fully restore the legitimate exercise