Sixth, the environmental community believes that we need to find a way to integrate multilateral trade agreements and environmental agreements, as we did in NAFTA. We could start out by providing a so-called “safe haven” for the Montreal Protocol and CITES, the Convention on International Trade in Endangered Species of Wild Fauna and Flora. The other is to describe the characteristics of an MEA that will automatically be protected.

Let me add a few other agenda items that are unrelated to my Seattle list but need to be on our “to do” list in the United States. First, we should take a hard look at the NAFTA environmental side agreement, and see how it is working. I will ask the key Congressional Committees, including the Senate Environment and Public Works Committee, to conduct appropriate oversight.

Second, we need to improve our domestic trade policy institutions. And that includes enhancing the role of Congress in trade negotiations. Last week, in a speech at the Washington International Trade Association, I proposed the establishment of a Congressional Trade Office. This office would provide the Congress with additional independent, non-partisan, neutral trade expertise. Its functions would include: monitoring compliance with major bilateral, regional, and multilateral trade agreements; analysis of Administration trade policy, trade actions, and proposed trade legislation; participation in dispute settlement deliberations at the WTO and NAFTA; and evaluation of the results of dispute settlement cases involving the United States.

The National Wildlife Federation and the Sierra Club have proposed such an office, although the functions in my concept are quite different. I will be offering legislation on this later this year.

One of the most difficult issues that has arisen in recent years has been the relationship between trade policy and environmental protection. The lack of consensus on this relationship has been one of the major reasons that we have not been able to proceed with fast track legislation in the Congress.

Paralysis helps no one. I hope that the thoughts I have set out today for Seattle and for our own domestic agenda will help to begin a constructive and responsible dialogue between the trade and the environmental communities. We need a trade. We need environmental protection. We need a sustainable earth, and that means a clean world and a growing world—more and better jobs everywhere, increased income, cleaner air and water, the protection of our natural heritage for future generations. These goals are only incompatible when people are unwilling to talk about them together.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. KYL). Under the previous order, morning business is closed.

APPOINTMENT OF CONFEREEES—H.R. 2488

Ms. COLLINS. Mr. President, I ask unanimous consent that with respect to H.R. 2488, the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. KYL) appointed Mr. ROTH, Mr. LOTT, and Mr. MOYNIHAN conferees on the part of the Senate.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

The PRESIDING OFFICER. Pursuant to the order of the Senate of July 1, after having received H.R. 2587, the Senate will proceed to the bill. All after the enacting clause is stricken, and the text of S. 1283 is inserted. H.R. 2587 is read a third time and passed. The Senate insists on its amendment and requests a conference with the House, and the Chair appoints Mrs. HUTCHISON of Texas, Mr. KYI, Mr. STEVENS, Mr. DURBIN, and Mr. INOUYE conferees on the part of the Senate.

(The text of S. 1283 was printed in the RECORD of July 12, 1999.)

DECEPTIVE MAIL PREVENTION AND ENFORCEMENT ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to consideration of S. 335, which the clerk will report by title.

The legislative assistant read as follows:

A bill (S. 335) to amend chapter 30 of title 39, United States Code, to provide for the nonmailability of certain deceptive mailings relating to games of chance, administrative procedures, orders, and civil penalties relating to such matter, and for other purposes;

The Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Deceptive Mail Prevention and Enforcement Act”.

SEC. 2. RESTRICTIONS ON MAILINGS USING MISLEADING REFERENCES TO THE UNITED STATES GOVERNMENT.

Section 3001 of title 39, United States Code, is amended—

(1) in subsection (h)—

(A) in the first sentence by striking “contains” and inserting “contains, is sold, or is distributed, and no other term or term or symbol that reasonably could be interpreted or construed as implying any Federal Government connection, approval or endorsement” and inserting the following: “which reasonably could be interpreted or construed as implying any Federal Government connection, approval, or endorsement through the use of a seal, insignia, reference to the Postmaster General, citation to a Federal statute, name of a Federal agency, department, commission, or program, trade or brand name, or any other term or symbol; or contains any reference to the Postmaster General or a citation to a Federal statute that misrepresents either the identity of the mailer or the protection or status afforded such matter by the Federal Government”, and

(B) in paragraph (2)—

(i) in subparagraph (A) by striking “and” at the end;

(ii) in subparagraph (B) by striking “or” at the end and inserting “and”;

and

(iii) by inserting after subparagraph (B) the following:

(2) in subsection (i) in the first sentence—

(A) in the first sentence by striking “contains” and inserting “contains, is sold, or is distributed, and no other term or term or symbol that reasonably could be interpreted or construed as implying any Federal Government connection, approval or endorsement” and inserting the following: “which reasonably could be interpreted or construed as implying any Federal Government benefits or services will be affected by any purchase or nonpurchase, or”;

(ii) in subparagraph (A) by striking “and” at the end;

(iii) in subparagraph (B) by striking “or” at the end and inserting “and”;

and

(iv) by inserting after subparagraph (B) the following:

(C) does not contain a false representation implying that Federal Government benefits or services will be affected by any purchase or nonpurchase; or”;

(3) by redesignating subsections (j) and (k) as subsections (m) and (n), respectively; and

(4) by inserting after subsection (i) the following:

((1)(I) Matter otherwise legally acceptable in the mails described under paragraph (2)—

(A) is nonmailable matter;

(B) shall not be carried or delivered by mail; and

(C) shall be disposed of as the Postal Service directs.

Parameters. A matter that is nonmailable matter referred to under paragraph (1) is any matter that—

(1) constitutes a solicitation for the purchase of any product or service that—

(i) is provided by the Federal Government; and

(ii) may be obtained without cost from the Federal Government; and

(C) does not contain any clear and conspicuous statement giving notice of the information under subparagraph (A) (i) and (ii),”).
SEC. 3. RESTRICTIONS ON SWEEPSTAKES AND DECEPTIVE MAILINGS.

Section 3001 of title 39, United States Code, is amended by inserting after subsection (i) (as added by section 2(4) of this Act) the following:

"(k) The term—"

"(A) ‘facsimile check’ means any matter designed to resemble a check or other negotiable instrument by a nonnegotiable matter;"

"(B) ‘skill contest’ means a puzzle, game, competition, or other contest in which—"

"(i) a prize is awarded;"

"(ii) the outcome depends predominately on the skill of the contestant; and"

"(iii) a purchase, payment, or donation is required or implied to be required to enter the contest; and"

"(C) ‘sweepstakes’ means a game of chance for which no consideration is required to enter."
§ 3016. Administrative subpoenas

(a) AUTHORIZATION OF USE OF SUBPOENAS BY POSTMASTER GENERAL.—In any investigation conducted under this chapter, the Postmaster General may require by subpoena the production of any records (including books, papers, documents, and other tangible things which constitute or contain evidence) which the Postmaster General finds relevant or material to the investigation.

(b) SERVICE.—

(1) Service within the United States.—A subpoena issued under this section may be served by a person designated under section 3061 of title 18 at any place within the territorial jurisdiction of any court of the United States, in such manner as the Federal Rules of Civil Procedure prescribe for service in a foreign country. To the extent that the courts of the United States may assert jurisdiction over the person or any post office of such part or parts with due process, the United States District Court for the District of Columbia shall have the same jurisdiction to take any action respecting compliance with this section by such person that the District of Columbia court would have if such person were personally within the jurisdiction of such court.

(2) Service on business persons.—Service of any such subpoena may be made by a Postal Inspector upon a partnership, corporation, association, or other legal entity by—

(A) delivering a duly executed copy thereof to any partner, executive officer, managing agent, or general agent thereof, or to any agent thereof authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity;

(B) delivering a duly executed copy thereof to the principal office or place of business of the partnership, corporation, association, or entity; or

(C) depositing such copy in the United States mails, by registered or certified mail, return receipt requested, duly addressed to such partnership, corporation, association, or entity at its principal office or place of business.

(C) Enforcement.—

(1) IN GENERAL.—Wherever any person, partnership, corporation, association, or entity fails to comply with any such subpoena duly served upon him, the Postmaster General may require that the Attorney General seek enforcement of the subpoena in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person a petition for an order of such court for the enforcement of this section.

(2) JURISDICTION.—Whenever any petition is filed in any district court of the United States under this section, such court shall have jurisdiction of the petition and for that purpose may hold an examination, and to enter such order or orders as may be required to carry into effect the provisions of this section. Any final order entered shall be subject to appeal to the Circuit Court of Appeals of the United States for the Federal Circuit.

(d) Disclosure.—Any documentary material provided pursuant to any subpoena issued under this section shall be exempt from disclosure under section 552 of title 5.

(e)(1) From all civil penalties collected in the administrative and judicial costs incurred by the Postal Service in such enforcement, not to equal or exceed $900,000 in each year, shall—

(A) be disposed of as the Postmaster General shall direct;

(B) not be carried or delivered by mail; and

(C) be nonmailable matter.

(f) Failure to respond; penalties; orders; contempt of court.—If any disobedience of any final order entered by any court may be punished as contempt of court.

§ 3017. Nonmailable skill contests or sweepstakes mailings

(a) IN GENERAL.—Chapter 30 of title 39, United States Code, is amended by adding at the end the following:

SEC. 8. REQUIREMENTS OF PROMOTERS OF SKILL CONTESTS OR SWEEPSTAKES MAILINGS.

(a) IN GENERAL.—Chapter 30 of title 39, United States Code (as amended by section 7 of this Act) is amended by adding after section 3016 the following:

§ 3017. Nonmailable skill contests or sweepstakes mailings; notification to prohibit mailings.

(a) Definitions.—In this section, the term—

(1) ‘‘promoter’’ means any person who originates and causes to be mailed more than 500,000 mailings in any calendar year of any skill contest or sweepstakes, except for mailings that do not include an opportunity to make a payment or order a product or service;

(2) ‘‘removal request’’ means a written request stating that an individual elects to have the name and address of such individual excluded from any list used by a promoter for mailing skill contests or sweepstakes;

(3) ‘‘skill contest’’ means a puzzle, game, competition, or other contest in which—

(A) a prize is awarded or offered; or

(B) the outcome depends predomately on the skill of the contestants; and

(4) ‘‘sweepstakes’’ means a game of chance for which no consideration is required to enter.

(b) Nonmailable matter.—

(1) IN GENERAL.—Matter otherwise legally acceptable in the mails described under paragraph (2) is nonmailable matter.

(b)(i) has changed the election; and

(ii) does not comply with subsection (c)(1).

(c) Requirements of promoters.—(1) A promoter who mails a skill contest or sweepstakes shall provide with each mailing a clear and conspicuous statement that—

(A) includes the address and toll-free telephone number of the notification system established under paragraph (2); and

(B) states how the notification system may be used to prohibit the mailing of any skill contest or sweepstakes to such individual.

(2) Notification system.—Any promoter that mails a skill contest or sweepstakes shall provide with each mailing a clear and conspicuous statement of a single notification system that provides for any individual or other duly authorized person to notify the system of the individual’s name and address and to prohibit mailings of skill contests or sweepstakes to such individual.

(d) Notification system.—If an individual contacts the notification system through use of the toll-free telephone number provided under subsection (c)(1)(A), the system shall—

(i) inform the individual of the information described under subsection (c)(1)(B); and

(ii) inform the individual that the election to prohibit mailings of skill contests or sweepstakes to such individual shall take effect 45 business days after receipt by the system of the signed removal request by the individual.

(e) Election to be excluded from lists.—

(1) IN GENERAL.—An individual may elect to exclude the name and address of such individual from all mailing lists used by promoters of skill contests or sweepstakes to whom an individual has submitted a removal request to the notification system established under subsection (c).

(2) Response after mailing removal request required from the notification system.—Not later than 45 business days after receipt of a removal request, all promoters who maintain mailing lists containing the individual’s name or address for purposes of mailing skill contests or sweepstakes shall exclude such individual’s name and address from all such lists.

(f) Effectiveness of election.—An election under paragraph (1) shall—

(i) be effective with respect to every promoter; and

(ii) remain in effect, unless an individual notifies the system in writing that such individual—

(A) has changed the election; and

(B) elects to receive skill contest or sweepstakes mailings.

(g) Promoter nonliability.—A promoter, or any other person maintaining the notification system established under this section, shall not be subject to civil liability for exclusion of an individual’s name or address from any mailing list maintained by a promoter for mailing skill contests or sweepstakes if—

(C) a removal request is received by the notification system; and

(D) the promoter or person maintaining the system has a good faith belief that the request is valid.

(h) The individual whose name and address is to be excluded; or
“(B) after the item relating to section 3016 the following:

‘‘3017. Nonmailable skill contests or sweepstakes matters; notification to prohibit mailings.’’

(c) EFFECTIVE DATE.—This section shall take effect 1 year after the date of enactment of this Act.

SEC. 10. ENFORCEMENT.

(a) IN GENERAL.—Nothing in the provisions of this Act (including the amendments made by this Act) or in the regulations promulgated under such provisions shall be construed to preempt any provision of State or local law that imposes more restrictive requirements, regulations, damages, costs, or penalties. No determination by the Postal Service that any particular piece of mail or class of mail is in compliance with the requirements of subsection (c)(2) shall be liable to the United States in an amount of $10,000 per violation for each mailing of nonmailable matter; or

(b) IN GENERAL.—Any promoter—

(A) who recklessly mails nonmailable matter in violation of subsection (b) shall be liable to the United States in an amount of $10,000 per violation for each mailing of nonmailable matter;

(B) who fails to substantially comply with the requirements of subsection (c)(2) shall be liable to the United States;

(c) ENFORCEMENT.—The Postal Service shall assess civil penalties under this section.,’’.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The table of sections for chapter 30 of title 39, United States Code, is amended by adding after the item relating to section 3016 the following:

‘‘3017. Nonmailable skill contests or sweepstakes matters; notification to prohibit mailings.’’

SEC. 12. EFFECTIVE DATE.—This section shall take effect 1 year after the date of enactment of this Act.

SEC. 9. STATE LAW NOT PREEMPTED. (a) IN GENERAL.—Nothing in the provisions of this Act (including the amendments made by this Act) or in the regulations promulgated under such provisions shall be construed to preempt any provision of State or local law that imposes more restrictive requirements, regulations, damages, costs, or penalties. No determination by the Postal Service that any particular piece of mail or class of mail is in compliance with the requirements of such provisions of this Act shall be construed to preempt any provision of State or local law.

(b) ENFORCEMENT COURT PROCEEDINGS.—Nothing contained in this section shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State or any specific civil or criminal statute of such State.

SEC. 10. EFFECTIVE DATE.

Except as provided in section 8, this Act shall take effect 120 days after the date of enactment of this Act.

Amend the title so as to read: ‘‘A bill to

mandate the focus of the subcommittee’s second

attention to the growing problems of deceptive sweepstakes mailings. Some of the provisions in our legislation are similar to those in a bill introduced by Senator CAMPBELL.

I first became aware of the growing problem of deceptive sweepstakes last year after receiving several complaints from my constituents in Maine. In order to learn more about this growing problem, the Permanent Subcommittee on Investigations began an investigation into the nature of deceptive mailings and the extent of sweepstakes and other promotional mailings. The subcommittee soon realized that the promotional mailing industry generates an enormous volume of mail that reaches the mailboxes of millions of Americans. In fact, the four major sweepstakes companies alone flood the mailboxes of Americans with more than 1 billion solicitations every year.

The subcommittee held 2 days of public hearings. At the first subcommittee hearing in March, we examined the practices of the four major sweepstakes companies: American Family Publishers, Publishers Clearinghouse; Time, Inc.; and Reader’s Digest. Mr. President, I am pleased that the Senate is now considering S. 335, the Deceptive Mail Practices Enforcement Act, legislation I authored along with my colleagues, Senator LEVIN, Senator COCHRAN, Senator EDWARDS, Senator DURBIN, and Senator SPECTER.

S. 335 is the product of an extensive investigation and 2 days of public hearings held by the Permanent Subcommittee on Investigations, which I chair. This legislation would establish for the first time tough new Federal standards for sweepstakes and other promotional mailings.

For example, these mailings would be required to clearly inform consumers that a purchase is not necessary to win the contest and that a purchase will not increase their chances of winning. In addition to these important consumer protections, the bill confers additional investigative and enforcement authority on the U.S. Postal Service and authorizes civil fines of up to $2 million for companies that violate the consumer protection standards.

This comprehensive measure has the support of the AARP, the National Consumers League, and the U.S. Postal Service.

I particularly recognize the leadership roles played by several members of the committee. Senator LEVIN, in particular, has long been a leader in the effort to curtail deceptive mailings. Senator COCHRAN held some of the first hearings on this issue. Senator EDWARDS, Senator SPECTER, and Senator DURBIN all contributed greatly to our investigation.

Let me also express my appreciation for the assistance provided by the chairman of the Governmental Affairs Committee, Senator THOMPSON, and by the committee’s ranking minority member, Senator LIEBERMAN. In addition, I salute Senator CAMPBELL, who was one of the first to call
repeated solicitations.

year-old father-in-law in response to that had been purchased by her 82-

to us by a witness was a magazine sub-

sand of dollars of questionable mer-

Indeed, we heard testimony that decep-

chances of winning that grand prize.

aggressive marketing techniques far

onstrated that sweepstakes companies,

underneath the radar of State and Fed-

many of these small operators. They

book once again.

to purchase the exact same coupon

quently followed by additional numer-

million.

received over 4 million purchases,

mately 100 million mailings in 1998 and

by the subcommittee sent approxi-

investigation suggests that this prac-

also by reselling the names of their

These companies profit not only from

specifically chosen to lend credibility

then starts up a new company under

hearing in July. Many of these smaller

talies for all these years. Although the

she has been duped by the sweepstakes so-

could not, however, be measured in dol-

financial drain is now halted, the loss of her

victory is incalculable.

Our investigation and hearings dem-

exemplary fines of the consumer to win-

conceal their identities through multiple corporate names and

various mailbox drops in several dif-

ferent States. Their mailings are often

designed to deceive even the most cau-

tious and wary consumer.

Our investigation and hearings dem-

of many of our senior citizens are particularly

vulnerable to such deceptive mailings. They are, as one witness

told us in response to our request to make purchases...
not in Lake Forest, IL, but in Las Vegas, NV.

Another problem the subcommittee found was the use of words or symbols that give the impression that the mailing is connected with the Federal Government. Here is another example of this kind of mailing. It says at the top—it is hard to read: The Official United Sweepstakes of America.

Yes, this mailing implies a Government connection to the sweepstakes. It includes a photo of the U.S. Treasury building, and by using the address of 611 Pennsylvania Avenue, Southeast, Washington, DC, it sounds like a very prestigious Pennsylvania Avenue address of a Federal agency. In fact, once again, this is an address of a Mail Boxes, Etc. And, of course, the Federal Government does not sponsor sweepstakes, contrary to the implication of this mailing.

Yet another deceptive mailing shows how fraudulent operators link their company to the Government. This is a blowup of a postcard sent to me by a constituent from Machiasport, ME. As you can see, it is marked “Urgent Delivery, A Special Notification of Cash Currently Being Held By the U.S. Government is Ready for Shipment to You.” It mimics the typical postcard the Postal Service uses. It is designed to look like that.

The mailing asks the consumer to send $9.97 to learn how to receive this cash. Of course, this was not in any way a legitimate postcard from the Federal Government. It was merely a ploy used by an unscrupulous promoter to trick an unsuspecting consumer into sending money. Fortunately, my consumer did not fall for this scam. But many others did, leading the Postal Service to bring action against the promoter of this scam.

Sadly, these are just a few of the many examples of deceptive mailings that the subcommittee uncovered during its investigation. The simple fact is that far too many consumers regularly fall victim to increasingly deceptive and sophisticated marketing techniques used in these mailings.

I want to emphasize that sweepstakes can, of course, be a legitimate marketing technique. While I have concerns with the deceptive nature of far too many sweepstakes mailings, I don’t want to give the impression that all sweepstakes are deceptive, or that they should be outlawed. Our legislation is setting clear standards for them to follow to avoid the kind of deception that we found to be rampant in the industry.

Let me outline the major provisions of the legislation before the Senate today.

First, S. 335 requires sweepstakes mailings to clearly and conspicuously display several important disclaimers and consumer notices, including a clear statement that no purchase is necessary to win the contest, and, most of all, a statement that a purchase will not improve your chances of winning.

I think that is the most important disclaimer of all.

These statements have to appear in three places—on the solicitation, in the rules, and on the order form.

In addition, the mailings must state the odds of winning, the value and the nature of the prize, and the name and the address of the sponsor of the sweepstakes. Sweepstakes mailings would also be required to include all the rules and entry procedures for the contest. The bill would prohibit mailings from describing the recipient as a “winner” unless the recipient has really won a prize.

You can see from some of the mailings that we have discussed here today why this provision is so important.

Second, this legislation includes the provision drafted by Senator Edwards to require companies sending sweepstakes or skill contests to establish a system that will allow consumers to remove themselves from these sweepstakes mailing lists. Companies sending sweepstakes mailings must include either a toll-free number or the address at which the consumer may request that their name be removed altogether from future sweepstakes mailings. Companies would be required to remove such individuals from sweepstakes lists within 35 days.

Our hearings showed that far too many consumers had great difficulty in turning off the spigot of sweepstakes mailings. This bill, the Postal Service’s mission, would assist consumers who want relief from the flood of solicitations.

Third, our legislation strengthens the current law regarding “Government look-alike” mailings by prohibiting mailings that imply a connection to, approval, or endorsement by the Federal Government through the misleading use of a seal, insignia, reference to the Postmaster General, citation to a Federal law, or any other term or symbol unless the mailings carry true disclaimers.

The bill imposes new Federal standards for facsimile checks that are sent along with these contests. These checks must include a statement on the check itself stating that it is non-negotiable and has no cash value.

Finally, S. 335 will strengthen the ability of the Postal Service to combat deceptive mailings. Under existing law, the Postal Inspection Service does not possess subpoena authority, is unable to obtain a judicial order to stop the deceptive mailing at multiple mailboxes in different States, and may only seek financial penalties if a company has violated a previously imposed order for sending deceptive mailings.

Our legislation grants the Postal Service subpoena authority, nation-wide stop mail authority, and the ability to impose strong civil penalties for the first violation. At our hearing in July, the Postal Service testified that civil penalties would be a significant deterrent against deceptive mailings. We can’t just have minor penalties that are treated as a cost of doing business. The penalties under our legislation can reach as high as $1 million, and if a company violates an order, that penalty is doubled and can range as high as $2 million.

The current penalties—capped at $10,000 per day—are simply inadequate to deter deceptive mailings, especially since they can only be imposed after the mailer has evaded or failed to comply with a prior order.

Our bill recognizes the important role played by the States in investigating and detecting deceptive mailings. We do not preempt any provision of State or local law. In many instances, it is the States that have taken the strong action against deceptive sweepstakes mailings largely because of the gap in Federal law. During our investigation, we worked very closely with the National Association of Attorneys General. I would like to close my initial statement by urging my colleagues to support S. 335, the Deceptive Mail Prevention and Enforcement Act, so that the Senate, by passing this legislation later today, can take an important first legislative step in curtailing deceptive sweepstakes and protect the American consumer.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank the Senator from Maine for her tremendous leadership on this issue and for so many other consumer protection issues. She is leading the Permanent Subcommittee on Investigations with tremendous distinction, with great strength, and the consumers of this Nation are all better off because of that leadership. This bill is a further example of that leadership. I am proud to be her principal cosponsor of the bill that we have worked on for so long.

Sweepstakes for many Americans has become a cruel joke. Americans are overwhelmed with sweepstakes solicitations in the mail that deceptively appear to promise large winnings but deliver only empty appeals for purchases of unneeded products and more entries into additional sweepstakes.

The majority of Americans may have a healthy skepticism about these solicitations and don’t believe the misleading representations. But many are not so disbelieving, and they can get caught up and do get caught up in a spiral of financial and emotional trauma.

The subcommittee heard story after story before seniors particularly, some of the most vulnerable people in
America, who receive these mailings and believe that they have been awarded a prize.

Several of my constituents from Michigan lost tens of thousands of dollars to sweepstakes solicitations. One woman in Grand Rapids spent over $12,000 in one year with Reader's Digest. A woman in the Upper Peninsula of Michigan spent $30,000 in less than a month on sweepstakes-related promotions.

Sweepstakes solicitations are big business. Companies using sweepstakes to promote their products, be it magazines or coupon books, or jewelry, send over a billion pieces of mail a year to American consumers.

We learned that one person could get from one company alone as much as 144 different pieces of sweepstakes mail in 1 year. That was from a so-called "legitimate company."

Purchases through these types of mailings are in the billions of dollars. Sweepstakes are used as the "come-on," to get the recipient to purchase a product or make a contribution. They are used, companies say, to get the recipients to open the envelopes, and, once opened, to get the person to respond with a purchase or contribution. Promoters argue that sweepstakes entice buy these products because they want them or need them.

Our investigation demonstrated that many people who enter these sweepstakes purchase items only because they think doing so will improve their chances of winning the sweepstakes prize. A large number buy and buy, spending tens of thousands of dollars, with that expectation that the purchase of items will help improve their chances of winning.

Companies are not allowed by law to use the U.S. mails to conduct a lottery. A lottery is where payment must be given in order to have a chance to win. It is illegal for a sweepstakes promoter to require a purchase in order for a person to have a chance to win or to improve a person's chances of winning.

Buying something when entering a sweepstakes cannot, by law, do anything to improve a person's chances of winning. Many people don't know that or believe a purchase will improve their chance and many sweepstakes companies try to leave the impression that buying something will give that recipient an advantage.

Sweepstakes companies encourage this in many ways. For example, some use different envelopes for those who buy a product and those who don't. Here is an example from Reader's Digest. They send two envelopes. If a person orders something, the envelope says: Yes, Reward Entitlement [underlined], Granted and Guaranteed. If a person does not order something, the envelope says: No Reward Entitlement, Denied and Unwarranted.

They go to different post office boxes, clearly leaving a very different impression. It is a very strong different impression. That is a very deceptive different impression.

Other sweepstakes companies use their own envelope and address card for those entering the sweepstakes without purchasing a product. In another sweepstakes, they are given an envelope if they want to buy something; if they don't want to buy something but still enter, they have to fill out their own envelope or their own card, which is much more difficult than if they are simply buying a product.

Some companies try to confuse the message, leaving the recipient to believe he has to pay a fee to collect a prize that he has already won. This certificate "for vehicle awards" states: [You are] guaranteed to receive a brand-new automobile or a cash award.

The first envelope has the name of the person receiving it so it is very personalized: [Mr. or Miss Someone] are guaranteed to receive a brand-new automobile or a cash award.

They ask the recipient to confirm that his name is spelled correctly on the certificate and to indicate how he wants the car delivered. In the very last paragraph it says: In addition, an optional commodities package with a fully redeemable value of over $2,500 is being held pending your submission of the standard acquisition fee.

The impression is that the recipient has won a car, that he must send in the certificate and to indicate how he wants the car delivered. In the very last paragraph it says: In addition, an optional commodities package with a fully redeemable value of over $2,500 is being held pending your submission of the standard acquisition fee.

The impression is that the recipient has won a car, that all he has to do is return the certificate for the car, and pay an acquisition fee. Of course, the impression they attempt to create—and often do, according to our testimony—is that acquisition fee relates to the car.

If he does that, the impression is he will receive a car and the commodities package. That is a pretty good bargain, at $14.98 for a car and commodities package. In reality, this is a sales promotion for the commodities package connected to a sweepstake. The acquisition fee of $14.98 is buying the commodities package. The commodities purchase is nothing more than a book of coupons that require buying items in order to redeem the coupons.

One must send thousands and thousands of dollars for items that you don't need in order to receive the savings that are promised. Yet we learned at our hearings this is a very common sweepstakes scheme. Honest businessmen don't engage in these practices. Over and over we heard from victims of the deceptive sweepstakes packages that they thought they had to buy something to receive the big prize or to improve their chances of winning. They thought they had to buy something to improve their chances of winning. They thought they had to buy something to improve their chances of winning.

We cannot control each and every trick that a company uses to get the recipient of a sweepstakes promotion to buy something. However, there are some things we can and we should insist upon. We can insist that the companies state clearly and conspicuously that buying something will not improve a person's chances of winning.

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We can insist that these companies state clearly and conspicuously that you don't need to buy anything to win. We can make these companies state clearly and conspicuously what are the odds of winning. In many cases, the odds are nearly 1 in 100 million or 1 in 150 million. We can also require the sweepstakes promoters not tell a person they have won if they haven't and not use devices to suggest that the mail is...
from a Government agency. That will hopefully alert the folks receiving the sweepstakes promotion and will help them that they really do not want and do not need.

In the last Congress, several of our colleagues joined in sponsoring a bill to increase enforcement of deceptive mailings by the Postal Service. This year Senator Collins held hearings on sweepstakes and other forms of deceptive mail. We have introduced two bills to try to eliminate deceptive sweepstakes practices. Senator Collins’ bill is S. 335; my bill is S. 336. We learned during the hearings that the financial costs to consumers for deceptive and fraudulent sweepstakes is a serious problem and one that particularly plagues our senior citizens. We learned that the Postal Service has inadequate law enforcement tools to effectively shut down deceptive direct marketers who use deceptive sweepstakes promotions to sell their products. We also learned that the Postal Service can’t impose a fine against such a promoter until the Postal Service has issued an stop order, and the stop order has been violated. Willy promoters craft their mailing so that it technically complies with a particular stop order but is this deceptive? Thus, time and time again these promoters continue to prey on Americans, and the postal Service has been all but powerless to stop them.

The bill before us is a combination of our two bills. It establishes a special provision in law for deceptive sweepstakes mailings, requires certain disclosures to be clearly and conspicuously displayed in key parts of the sweepstakes promotion; prohibits other misleading and deceptive statements in the promotion; gives the Postal Service additional law enforcement tools; and requires sweepstakes promoters to provide a mechanism for a recipient of mail to remove his or her name off a mailing list if requested.

Mr. President, what is the time situation?

The PRESIDING OFFICER. These are 34½ minutes remaining on the Senator’s side.

Mr. LEVINE. I yield myself 10 additional minutes.

The provisions in S. 336 have been incorporated into the substitute. First, to prevent unscrupulous mailers from duping people into believing that a purchase will increase their chances of winning, the bill requires that a statement that a purchase will not increase an individual’s chances of winning be clearly and conspicuously displayed in a prominent place and manner in the mailing, in the rules, and on the order or entry form.

Second, the new requirements and standards, this is perhaps the most important. The statement that a purchase will not increase an individual’s chances of winning must not only be clearly and conspicuously displayed but also displayed in a prominent place and manner in the mailing, in the rules, and on the order or entry form. Such a statement will, hopefully, help readers dissociate the ordering process from the sweepstakes entry.

Second, it provides the Postal Service with the authority to issue a civil penalty for a first-time violation of the statute. This means the Postal Service does not have to first issue a stop order and then wait for that order to be violated before assessing civil penalties. This has the effect of applying the penalty to the deceptive offense, not for noncompliance with the order. It makes enforcement a one-step instead of a two-step process. Third, it gives the Postal Service the subpoena authority if often needs to help identify sweepstakes promotional mailings.

Despite the specificity of the disclosures required under the bill, I remain quite concerned that the disclosures be noticeable and understandable to the reader. That is why the bill requires all disclosures to be clearly and conspicuously displayed. With a managers’ amendment, we define “clearly and conspicuously displayed” in the bill so that there can be no misunderstanding by the Postal Service and the direct mail industry as to what we mean. Furthermore, two critical disclosures—“no purchase necessary” and “a purchase will not increase an individual’s chances of winning”—are required to be not only “clearly and conspicuously displayed” but “prominently” displayed as well. This means that these two disclosures must be highly visible and easily noticeable by the reader. These important messages will not be allowed to be hidden or disguised through illegible print size, glitzy disclosures, weathering, the disclosure, or barely noticeable ink color.

The Deceptive Mail Prevention and Enforcement Act of 1999 takes a tough approach to dealing with sweepstakes solicitations and other games of chance offers that are sent through the mail. If you use sweepstakes or a game of chance to promote the sale of a legitimate product, provide adequate disclosure, and abide with Postal Service regulations, then the Postal Service will allow that solicitation without any interruption. If deceptive practices are used in a sweepstakes or game of chance solicitation, the Postal Service will be able to stop the solicitation and impose a significant penalty.

I again thank Senator Collins again for her hard work and commitment to consumers in this legislation. I also thank Senator Cochran for his early support and Senator Edwards for his excellent work on the provision requiring a rule for promoting consumers to receive sweepstakes mailings. Finally, I want to thank the staff of the Permanent Subcommittee on Investigations for the terrific job they did putting together the hearings and developing this legislation. In particular I want to thank Linda Gustitus and Leslie Bell of the minority staff, Lee Blaylock and Kirk Walder of the majority staff, and Maureen Mahon of Senator Edwards’ staff.

I reserve the remainder of our time as Senator Collins has indicated, and I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan has 29 minutes remaining. The Senator from Maine has 35 minutes.

Ms. COLLINS. Mr. President, first I thank my colleague from Michigan for his very generous comments. Also, once again I commend his outstanding leadership on this issue. It has been terrific working with him in a variety of areas related to consumer protection. We are where we are today because of his efforts.

I also echo the thanks to our staff who have done a tremendous job.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, it is my great pleasure to yield to the Senator from Mississippi, who is the chairman of the Subcommittee on Governmental Affairs with jurisdiction over the Postal Service. Senator Cochran held the very first hearings on deceptive mailings last year. He has been a tremendous supporter of the effort to curtail deceptive mailings. I really appreciate his leadership on this issue.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am pleased to be a cosponsor and to support the passage of the Deceptive Mail Prevention and Enforcement Act. S. 335. This legislation would establish new safeguards to protect consumers against deceptive and dishonest sweepstakes and other promotional mailings. The bill grants additional investigative and enforcement authority to the U.S. Postal Service to stop deceptive mailings, and it establishes standards for all sweepstakes mailings by requiring certain disclosures on each mailing.

In the last Congress, our subcommittee examined the use of mass mail to deceive and defraud consumers. At our hearings we heard how sweepstakes and other promotions were causing individuals to make unwanted or excessive purchases in the hope that the purchases would increase their chances of winning or other prizes. Since conducting that hearing, the subcommittee has been flooded with stories from consumers all over the country who have lost thousands of dollars...
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in some cases—sometimes their life savings—to deceptive mailing practices. But it is not just sweepstakes offers that mislead consumers. Some mailers imply an association with the Government, often enticing consumers to pay unnecessary fees.

This bill will address several types of deceptive mailings, including sweepstakes and Government look-alike mailings.

First, it will require sweepstakes mailings to display a statement that no purchase is necessary to enter the contest and that a purchase will not improve the chances of winning. Other disclosures will also be required, including the sponsor of the sweepstakes and the principal place of business or an address at which the sponsor can be reached, and the estimated odds of winning each prize and the estimated total value of each prize. In addition, all terms and conditions of the sweepstakes promotion, including the rules and entry procedures for the sweepstakes, will be required on each mailing.

Second, the bill will expand the authority of the U.S. Postal Service by granting the Postal Inspection Service subpoena authority, nationwide stop-mail authority, and the ability to impose civil penalties of up to $1 million for the first offense and $2 million for a violation of an existing order.

Finally, the bill will strengthen existing law regarding Government look-alike mailings by requiring disclaimers on any mailings that might be interpreted as implying a connection to the Federal Government.

This legislation was reported out of the Subcommittee on International Security, Proliferation and Federal Services and reported unanimously by the Committee on Governmental Affairs on May 20. It has the support of the U.S. Postal Service, a number of consumer groups, and the American Association of Retired Persons.

I commend the work of the distinguished Senator from Maine, Ms. COLLINS, in crafting this legislation to curb deceptive mailings. As chair of the Permanent Subcommittee on Investigations, Senator COLLINS has thoroughly examined the issue, and I am very grateful for her strong comments and for her strong support of this initiative. He has been a partner throughout this investigation into deceptive mailings, and I am very grateful for his strong support of the U.S. Postal Service on May 20. It has the

Mr. LEVIN. Mr. President, during the July 1999 hearing on deceptive mail held by the Permanent Subcommittee on Investigations, several promoters testified that they use different business names and different stationery to send to the same people different-looking mailings to promote the same sweepstakes. So, for example, on day one, a person can get a solicitation to enter a $10,000 sweepstakes, and the solicitation says on the top that "Company Blue" is making the offer. In the rules it says "your chances of winning are 1 in 3 million." Let’s say you enter that sweepstakes. One week later you get another solicitation for a $10,000 sweepstakes.

And we learned that the standard operating procedure for this type of sweepstakes is to send 5 or 6 mailings to the same person. After the person responds to the first mailing.

So on this second mailing, it says "Company Red" at the top and the materials look totally different from the "Company Blue" promotions. The rules of this second solicitation also say you have a 1 in 3 million chance of winning $10,000, which a reasonable person would think is a completely different sweepstakes. That’s also what the promoter wants you to think. So you think you have a chance of winning $10,000 in total. But, you don’t. The most you can win is $10,000.

I believe these mailings are misrepresenting the facts, and under existing law these misrepresentations are deceptive. Specifically, "Company Blue" and "Company Red" scenario I just described, the promoter wants you to think that you’re receiving two separate solicitations, each involving two separate sweepstakes. In fact, the solicitations for "Company Blue" and "Company Red" are for the same sweepstakes and thus you can win only once. Section 3005 of title 39 currently allows the Postal Service to deny delivery of mail used as part of a scheme to obtain money through the mail by misrepresenting materials. Clearly, many sweepstakes promoters use different business names and different stationery to make you think their multiple solicitations are unique and have no relationship to each other.

Does the Senator from Maine agree that these multiple mailing schemes mislead people into thinking they are entering separate contests from different companies?

Ms. COLLINS. Yes, I agree with the Senator that this is problematic. The practice of using different-looking promotional mailings without any information explaining that they are for the same sweepstakes serves no purpose except to lead recipients into believing that they are different sweepstakes. Once the recipient believes in the different sweepstakes, the recipient who believes that a purchase either is required or will confer an advantage upon them will then believe that a separate purchase must be made for each unique-looking sweepstakes. Because these different-looking mailings do not clearly state that they are promoting the same sweepstakes, I agree with the Senator from Michigan that they can be deceptive.

Mr. LEVIN. Mr. President, our bill requires a sweepstakes or skill contest promotion, in order to be mailable matter, to contain a number of specific disclosures. Each of the disclosures required by the bill must be "clearly and prominently" required by the bill must be "clearly and prominently" displayed. The District Court recently determined that in the Edgeworth v. Fort Howard Paper Co., 673 F. Supp. 922, 923 (N.D. Ill. 1989); rev. on other grounds, 683 F. Supp. 1193 (1988), the District Court defined "prominently" to mean "readily noticeable, readable, and understandable.". This is a definition consistent with the definition used by the Federal Trade Commission.

Two of the required disclosures—that no purchase is necessary to win and that purchasing does not improve your chances of winning—are so important to giving a consumer the information he or she needs to decide whether or not to enter a sweepstakes and if so, whether or not to purchase an advertised product—that they should appear prominently in three places in each mailing. Our addition of the term "prominently" to these two disclosures is intended to emphasize the heightened significance of these disclosures. This means that these two disclosures must be highly visible and highly noticeable to the reader. In Allstate Insurance Co. v. Clemmons, 742 F. Supp. 1073, 1075 (D.Nev. 1990), the District Court defined "prominently displayed" to mean "the message must have greater prominence than the balance of the policy language. . . . In other words, a clause attains prominence by being different from its surrounding terms." Prominently displayed requires for purposes of our bill, making the two disclosures to which "prominently" applies different from other messages in appearance, manner of presentation, and location. These two disclosures must stand out from the rest of the printed material on the three locations where they are required to appear.

One can argue that there is going to be some subjectivity in deciding whether a statement is prominently placed in a promotion or not. Our intention here is to provide the Postal Service with enough guidance to ensure that when it comes to these two
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Ms. COLLINS. Mr. President, I send to the desk the managers' amendment. The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senate from [Ms. COLLINS], for herself and Mr. Levin, proposes an amendment numbered 1497.

Ms. Collins. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 20, line 1, strike all through page 20, line 4, and insert the following: (A) the individual whose name and address is to be excluded from any list used by that promoter to mail skill contests or sweepstakes mailings from that promoter.

"(c) PROHIBIT NOTICE SYSTEM USE OF LISTS.—(A) PROHIBITION.—No person may provide any notice system that allows a request by an individual for exclusion from all lists of names and addresses used by that person to mail skill contests or sweepstakes.

"(B) LISTS.—A list referred to under subparagraph (A) is any list of names and addresses used by that person to mail skill contests or sweepstakes.

"(B) who fails to comply with the requirements of subsection (c)(2) shall be liable to the United States in an amount of $10,000 per violation for each mailing to an individual of nonmailable matter; or

"(B) fails to comply with the requirements of subsection (c)(2) shall be liable to the United States.

"(B) ENFORCEMENT.—The Postal Service shall assess civil penalties under this section.

"(c) EFFECTIVENESS OF ELECTION.—An election under paragraph (1) shall remain in effect, unless an individual (or other duly authorized person) notifies the promoter in writing that such individual—

"(A) has changed the election; and

"(B) elects to receive skill contest or sweepstakes mailings from that promoter.

"(e) PROMOTER NONLIABILITY.—A promoter shall not be subject to civil liability for the exclusion of an individual's name or address from any list maintained by that promoter for mailing skill contests or sweepstakes, if—

"(1) a removal request is received by the promoter's notification system; and

"(2) the promoter has a good faith belief that the request is from—

"(A) the individual whose name and address is to be excluded; or

"(B) another duly authorized person.

"(f) PROHIBITION ON COMMERCIAL USE OF LISTS.—(A) PROHIBITION.—No person may provide any notice system that allows a request by an individual for exclusion from all lists of names and addresses used by that person to mail skill contests or sweepstakes.

"(B) who fails to comply with the requirements of subsection (A) shall remain in effect.

"(c) EFFECTIVENESS OF ELECTION.—An election under paragraph (A) shall remain in effect, unless an individual (or other duly authorized person) notifies the promoter in writing that such individual—

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"(A) has changed the election; and

"(B) elects to receive skill contest or sweepstakes mailings from that promoter.
Ms. COLLINS. Mr. President, I offer this managers' amendment on behalf of myself and Senator Levin to clarify certain provisions of S. 335.

As I described in my opening statement, this legislation imposes a number of new standards on promotional mailings. The managers' amendment further defines the "clearly and conspicuously" standard for the disclaimers and notices required in this bill. All disclaimers and notices must be "clearly and conspicuously displayed," which means "in a manner that is readily noticeable, readable and understandable to the group to whom the applicable matter is disseminated."

During its investigation into deceptive sweepstakes mailings, the Permanent Subcommittee on Investigations found numerous examples of mailings that misled consumers into believing that they must purchase a product to win a prize, or that a purchase will improve their chances of winning. The investigation showed that many mailings did not clearly inform consumers that no purchase was necessary to enter the sweepstakes and that buying a product did not increase their chances of winning. The disclaimers and notices in many existing sweepstakes mailings are of little value because they are too often buried in tiny print or contrived by the promotional copy. Consumers should not need a law degree or a magnifying glass to read the rules or decipher how to enter a sweepstakes without placing an order. In order to give the disclaimers and consumer notices mandated by this bill, S. 335 requires each of these disclosures to be "clearly and conspicuously displayed."

The managers' amendment defines "clearly and conspicuously displayed" in a manner that is consistent with previous agency and court rulings. As the committee report for this legislation explains, the Federal Trade Commission has issued opinions on the meaning of "clear and conspicuous" and this standard is a staple of commercial law. The definition of clear and conspicuous, as used in S. 335, is meant to be consistent with the interpretation of the standard as developed in previous regulatory opinions, statements, and case law.

Thus, as the definition states, the required disclosures must be readily noticeable, readable, and understandable to the group to whom the matter is mailed. As the committee report notes, in some instances, the language may need to be highlighted, in bold letters, or placed in a visible location. We recognize that the format and layout of promotional mailings differ dramatically and, accordingly, the presentation of each required disclosure will necessarily vary. Thus, we believe it is impossible to use a "standard" font, color, or placement of each disclaimer imposed on promotional mailings. The definition in this managers' amendment, however, gives the regulators broad guidance to interpret on a case-by-case basis whether a disclaimer or notice to qualify as "clearly and conspicuously displayed."

The committee report accompanying S. 335 provides a detailed description of the clear and conspicuous standard as enunciated by the Federal Trade Commission and in court decisions. The standard was designed to prevent deception, and we expect those enforcing this Act to make use of this standard to protect consumers receiving promotional mailings. We agree with the Federal Trade Commission that deception occurs if there is a representation, omission, or practice that is likely to mislead the reasonable consumer or his or her decision.

Furthermore, the managers' amendment adds the word "prominently" to the two most significant disclosures required by S. 335: first, that no purchase is necessary to enter the sweepstakes; and second, that a purchase will not increase an individual's chances of winning with that entry. S. 335 already places significance on these two disclosures by requiring that they appear in three different places in most sweepstakes mailings: (1) the mailing, (2) the rules, and (3) the entry or order form. Because the subcommittee's investigation found strong evidence that some consumers believed a purchase would increase their chances of winning, we view these two disclosures as particularly important. Because of the brevity of these disclosures, we believe that it is particularly important that they be easily identifiable by the reader.

The Federal Trade Commission has used a variety of terms to describe clear and conspicuous, including sufficiently clear and prominent. Because many of the other disclosures required by S. 335 may be lengthy and may only appear in one place in a mailing, we believe that "clearly and conspicuously" for one disclaimer may differ from what is necessitated by another. A disclosure of a few words, such as "no purchase necessary," would by its very nature dictate a different yardstick than would the entire contest rules, which might consist of several hundred words. We expect all disclosures to be clear and conspicuous but these two disclosures should be "prominent" in the three required places in most mailings.

The managers' amendment also makes several technical changes. It removes duplicative language from several different disclosures required by S. 335. These deletions, however, are not intended in any way to weaken the overall requirement that disclosures must be clearly and conspicuously displayed. The managers' amendment also deletes a somewhat duplicative requirement relating to advantages that a sweepstakes might imply are given to those entries that accompany a purchase. Given that statements of fact are required to accompany sweepstakes mailings, we believe that a purchase will not improve the contestant's chance of winning, we determined that this provision was superfluous.

Finally, the managers' amendment replaces section 8 of the bill reported by the Governmental Affairs Committee with new language requiring all companies sending sweepstakes or skill contest mailings to establish a system for removing the names of individuals who do not wish to receive such mailings. Such names must be removed within 35 days after appropriate notice. If a mailing is recklessly sent to consumers who have requested not to receive further solicitations, the mailer shall be subject to a penalty of $10,000. This section shall take effect one year after enactment of this legislation. We commend our colleague and friend Senator Edwards for his strong leadership in crafting this proposal.

In closing, I thank my colleagues, particularly Senator Levin, for their assistance in crafting this managers' amendment, and I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1497) was agreed to.

Ms. COLLINS. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. COLLINS. Mr. President, we are expecting additional speakers. In the meantime, I suggest the absence of a quorum, and I ask unanimous consent that time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.
Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, I ask unanimous consent that the time remaining on the majority side be equally divided between Senator THOMPSON and Senator BURNS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMPSON. Mr. President, I lend my strong support for Senate approval of S. 335, the Deceptive Mail Prevention and Enforcement Act. This bill will establish new consumer protections to shield consumers from falling victim to deceptive and fraudulent practices found in some sweepstakes and mail promotions.

Thanks to the hard work of the Permanent Subcommittee on Investigation, Senator SUSAN COLLINS, for taking a thorough approach to crafting this proposal. Following a process of investigation and hearings, Senator COLLINS has applied the right tools to a common problem. The people of Maine, Delaware, and the rest of our Nation will benefit from her hard work.

Mr. THOMPSON. Mr. President, I rise today to express my strong support for S. 335, the Deceptive Mail Prevention and Enforcement Act.

As a cosponsor of this legislation, let me first thank Senator COLLINS for her hard work in crafting this legislation, and for the informative and insightful oversight hearings she has held on the sweepstakes industry this year. Those hearings have exposed some troubling practices, and clearly demonstrate the need for this important legislation.

Earlier this year a constituent of mine from Huntington, Vermont, e-mailed my office and relayed his own personal story as an example of the need for this legislation. He had been asked by his mother to help review her mail. He was shocked to receive mailings from and you are looking at an overwhelming amount of mail.

One of the most outrageous practices in these mailings is the request for a donation or a purchase of a product without making it clear that the donation or purchase has no effect on your chances of winning any of the prizes. This has caused some people to expend their precious resources thinking they are giving themselves a better chance at winning the grand prize, when in reality it has done nothing to change the odds.

Senator COLLINS' legislation, S. 335, will go a long way to solve the problems of these deceptive sweepstakes mailings. It requires a clear disclosure of the game's rules and an indication that the odds of winning are not improved by purchasing any products that are being advertised. It will also restrict the mailing from depicting an individual as a winner unless that person actually has won a prize. In addition, the bill will implement stricter penalties for sending mail that does not comply with the federal standards.

Every day people are being inundated with these mailings and many of them promote a belief that you have already won, or that a donation or purchase will increase your chances of winning. For many, especially for the most vulnerable in our society, it has been very difficult to separate the truth from the fantasy in these mailings, and as past history has shown sweepstakes mailings are a particular problem for the elderly in our society.

Mr. President, we have a chance to protect all Americans, particularly the elderly, and I urge all my colleagues to support this important piece of legislation.

Ms. COLLINS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.
Mr. LIEBERMAN. Mr. President, I thank my friend and colleague from Michigan, Senator Collins, and other cosponsors of the legislation including Senators Cochin, and Edwards, for the way they have worked together with my former colleagues, the State attorneys general, the AARP, and the sweepstakes industry itself to put together this important consumer protection legislation. I think their combined efforts stand as a model not only of cooperation but of thoughtful legislating from which we can all learn. I am very proud to join them as a cosponsor of this bill.

No marketing effort should be based on misleading advertising. That principle is not new, it was legislation before the Senate. It reminds everyone that occasionally the Federal Government has to step in to make sure that the free market we celebrate and benefit so much from truly remains free. That freedom is so often based on the truthfulness of representations made by those who are marketing.

The purpose of this bill is to eliminate deceptive practices in the sweepstakes industry. We have all seen them. Who wouldn't be tantalized by a letter proclaiming you may already be a winner? It is hard not to open that one up. Everybody wants to be a winner. Most of us have probably fantasized about how we would spend a sudden windfall that dropped into our bank accounts.

Unfortunately, sweepstakes mailings often involve sophisticated marketing techniques that persuade recipients to spend money in the hope of finding the pot of gold at the end of the rainbow. It is a long way off in almost all cases. Often the mailings are targeted at the elderly or the financially vulnerable who don't realize that sweepstakes companies are in business to sell products that make a profit, plain and simple. That is legitimate so long as they do it fairly and truthfully. It is a big business. The fact is that sweepstakes and telemarketing firms can bring in more than $400 billion a year from promotional campaigns in my State of Connecticut alone. Nationally, estimates are that the sweepstakes in telemarketing firms have gross revenues between $40 and $60 billion a year. This legislation makes sure that before the Senate to vote for this strong consumer protection measure. I hope the President will sign the bill and sending it to the President.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. I yield 6 minutes to the Senator from Connecticut.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. The quorum call is not necessary to win, as well as terms and conditions of the promotion in language that is easy to find, to read, and to understand. It prohibits abuses we have seen such as symbolic statements that imply Federal Government endorsement, and it provides meaningful disclosures to let consumers know the actual odds of winning.

Further, the bill sets up a mechanism for consumers and those who care for them to stop unwanted sweepstakes solicitations and a recordkeeping requirement to assure that such requests are properly implemented.

Finally, the bill gives the Postal Service the additional enforcement authority it needs to stop unlawful sweepstakes schemes, particularly those that flirt with fraud and skip from State to State.

I strongly support this legislation as a tool to help consumers negotiate their way through the high pressure sales tactics sometimes employed by marketers using sweepstakes to sell their products. I am very grateful to colleagues on the Governmental Affairs Committee for the leadership they have shown.

I am delighted to join this bipartisan effort to protect our citizens—again, particularly the aged—from these deceptive marketing tactics. I urge the Senate to vote for this strong consumer protection measure. I hope the White House will then join in adopting this bill and sending it to the President.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I am going to speak for a brief period of time in morning business. I see the Senator from Mississippi is coming into the Chamber. I know we are ready to start with the Ag appropriations bill.

FOOD ASSISTANCE PROGRAMS

Mr. WELLSTONE. Mr. President, I want to very briefly speak to an issue that actually might be one we will debate as we go through this Ag appropriations bill since part of what we deal with within the Department of Agriculture is food assistance programs such as the Women, Infants, and Children Program and the Food Stamp Program.

We have heard a great deal from the White House and from some Members of Congress about the success of the program. On Sunday, the White House released data on the number of women who were on welfare and are now working. There will be a gathering in Chicago tomorrow, I believe, where