

State of Rhode Island and Providence Plantations

Office of the Secretary of State
Corporations Division
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GAMES OF CHANCE

Pursuant to Title 11, Chapter 50 of the Rhode Island General Laws, 1956, Reenactment of 1994

§ 11-50-1 Filing requirement. - Any person, firm, or corporation proposing to engage in any game, contest, or other promotion or advertising scheme or plan whereby a retail establishment offers the opportunity to receive gifts, prizes, or gratuities, as determined by chance, in order to promote its retail business, where the total announced value of the prizes offered to the general public is in excess of five hundred dollars (\$500), shall file with the secretary of state upon a form that he or she shall provide, a statement setting forth: the minimum number of participating objects to be made available; the minimum number of prize winning objects that will be included in such promotion or advertising scheme or plan; the proportionate opportunity of winning prizes; the minimum value of prizes to be made available; and the rules and regulations pertaining to the promotion or advertising scheme or plan which shall include the period of time and the geographic area to be covered by the contest. There shall be a filing fee of one hundred and fifty dollars (\$150) when the statement is filed. Failure to file a statement shall be a misdemeanor.

§ 11-50-2 Posting of available prizes – Rules and winners. – Every person, firm or corporation engaging in any promotion or advertising game or contest of the type set forth in § 11-50-1 shall cause to be posted in a conspicuous and prominent location in every retail establishment offering the opportunity to participate in the game or contest the minimum number and value of prizes available to be won over a stated period of time and slated geographic area, and the rules and regulations pertaining to the promotion or advertising scheme or plan and the names and addresses of prize winners. Failure to cause this posting shall be a misdemeanor.

§ 11-50-3 Records. – Every person, firm, or corporation engaging in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 shall maintain for six (6) months following the completion of the promotion or advertising scheme or plan adequate records to enable such person, firm, or corporation to report to the secretary of state, upon his or her request, the name and address of each winner of every prize having a value of more than twenty-five dollars (\$25.00), the description of the prize won by each person, and the date when the prize was delivered to each person. Failure to file such information with the secretary of state upon his or her request within six (6) months shall be a misdemeanor.

§ 11-50-4 Manipulation of games. – Every person, firm, or corporation who manipulates or rigs any promotion or advertising scheme or plan of the type set forth in § 11-50-1 so that gifts, prizes, or gratuities are dispersed to predetermined individuals or retail establishments shall be guilty of a misdemeanor, provided, that this section shall not prevent distribution of gifts, prizes, or gratuities of equal value to retail establishments.

§ 11-50-5 Failure to distribute prizes. - Every person, firm, or corporation who engages in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 and who fails to distribute the offered gifts, prizes, or gratuities to designated winners shall be guilty of a misdemeanor.

§ 11-50-6 Deceptive advertising practices. – Every person, firm, or corporation who prints, publishes, or circulates literature or advertising material, used in connection with any promotion or advertising scheme or plan of the type set forth in § 11-50-1, which is false, deceptive, or misleading, shall be guilty of a misdemeanor.

§ 11-50-7 Dealer Coercion. – Every person, firm, or corporation who coerces a retail dealer to participate in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 shall be guilty of a misdemeanor. Such coercion includes, but is not limited to, circumstances in which a course of business conduct extending over a period of one year or longer between a supplier and a dealer is materially changed for no legitimate business reason, coincident with a failure or refusal of the dealer to participate in an above-mentioned promotion or advertising scheme or plan.

§ 11-50-8 Injunction. – Whenever the attorney general has reason to believe that any promotion or advertising scheme or plan of the type set forth in § 11-50-1 is being operated in violation of this chapter, he or she may bring an action in the Superior Court, in the name and on behalf of the people of the state to enjoin the continued operation of such promotion or advertising scheme or plan.

Section 11-50-1 of the General Laws, 1956, as amended, sets forth the filing requirements for this law. Pursuant to Section 11-50-8 of the General Laws, 1956, as amended, the Rhode Island Attorney General is responsible for the enforcement of this chapter. If you have any questions concerning whether you are required to file under this chapter, you should consult an attorney.