

Resolution Concerning the FTC Notice of Proposed Rulemaking to Amend the Telemarketing Sales Rule, 16 CFR PART 310

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) recognizes the Federal Trade Commission's (FTC) desire and interest to amend the Telemarketing Sales Rule, 16 CFR Part 310, and requests public comment by March 29, 2002 on the proposed changes; and

WHEREAS, The FTC's stated objective in the proposed rulemaking is to prohibit specific deceptive and abusive telemarketing acts and practices and to establish a national "do not call" registry for a two year trial period; and

WHEREAS, NARUC recognizes that despite the success of the existing Rule in correcting many of the abuses and bad practices in the telemarketing industry, complaints about abusive telemarketing practices continue to be filed with the offices of consumer groups, law enforcement agencies and State utility commissions in large numbers; and

WHEREAS, The escalating number of consumers upset with receiving unwanted telephone solicitations is further exemplified by the phenomenal growth in the Direct Marketing Association's ("DMA") list, which has grown to 4 million, increasing by 1 million since June 2000; and

WHEREAS, Consumers' continued frustration over receiving unwanted telephone solicitations at home have prompted twenty (20) States to pass "do-not-call" statutes as of January, 2002, and numerous other States are considering enacting

similar laws that would create State-run "do-not-call" registries;
and

WHEREAS, States that have enacted "do not call" legislation have gone to great financial expense in the implementation, operation and enforcement of their respective programs; and

WHEREAS, The FTC has requested comments as to whether its proposed rules should pre-empt State "do not call" statutes to the extent that the national "do not call" registry would provide more protection to consumers; now therefore be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened in its February 2002 Winter Meetings in Washington, D.C, urges all State Commissions to file comments on the FTC's notice of rulemaking; and be it further

RESOLVED, That the NARUC General Counsel shall file comments with the FTC on behalf of NARUC in conformance with this Resolution; and be it further

RESOLVED, The NARUC urges the FTC to strengthen protections against unwanted telemarketing activity, including establishment of a national "do not call" registry, so long as these protections serve as nationwide minimum standards which do not preempt State regulations which provide greater protection to consumers and that the national registry incorporates existing "do not call" lists; and be it further

RESOLVED, That NARUC respectfully requests that no action be taken by the FTC concerning the establishment of a national

"do-not-call" registry that would diminish, harm or place additional financial burdens upon the existing State "do not call" registries.

Sponsored by the Consumer Affairs Committee

Adopted by the NARUC Board of Directors on February 13,

2002