

to be Wed.
1/23

Limits on telemarket calls sought

FTC proposal would
establish do-not-call
registry for consumers

By Bruce Mohl

GLOBE STAFF

The Federal Trade Commission yesterday proposed a national do-not-call registry that would enable consumers to easily block many unwanted telemarketing calls.

The agency, responding to what it said was an enormous amount of concern among Americans about telemarketing calls, also proposed rules prohibiting telemarketers from blocking or subverting caller identification systems and sharing a customer's account information with other companies.

The FTC proposal would establish a toll-free line that consumers could use to add their phone number to the national do-not-call registry. Telemarketers who call anyone on the list would be subject to civil fines of up to \$11,000 per call.

The proposal, which could take as long as a year and \$4 million to \$6 million to implement, would make it much easier for consumers to block telemarketing calls, particularly in states like Massachusetts that offer little protection in this area.

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FTC seeks to limit telemarketing calls

► TELEMARKETING CALLS

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"I think it's a pretty good idea," said state Representative Daniel Bosley, a North Adams Democrat and key Massachusetts lawmaker on telecommunications issues. "If their proposal passes, you'd have only one call to make to stop the calls."

The Direct Marketing Association in New York, which operates a do-not-call list of its own that serves 4.1 million Americans, warned that the FTC proposal may violate the First Amendment rights of telemarketers.

H. Robert Wientzen, president and chief executive of the association, said the FTC proposal also may spur some telemarketers to move out of the United States, beyond the reach of regulators. Wientzen estimated direct marketing employs 6 million people and generates sales of \$668 billion in the United States.

J. Howard Beales, director of the FTC's bureau of consumer protection, said in a conference call with reporters that he did not think the proposed rule would run afoul of the US Constitution since it's not the government that is cutting off the calls.

"The choice is being made by

consumers," Beales said. "We're not saying 'Don't call.' It's consumers who are saying, 'Don't call.'"

Consumers currently have a few options for blocking telemarketing calls. They can ask the company calling them not to call back, but Beales said this provision of the FTC's existing telemarketing sales rule is difficult to enforce.

They can also add their name to the do-not-call list maintained by the Direct Marketing Association. Members of the association voluntarily agree not to call individuals on the list. Its key weakness is that nonmembers are not affected.

Twenty states, including California, Colorado, Florida, Georgia, and Texas, also maintain their own do-not-call lists, but their reach and operation vary dramatically. Maine and Connecticut, for example, basically piggyback on the Direct Marketing Association's list. Acting Governor Jane M. Swift proposed a do-not-call list for Massachusetts in 1999, but it failed to pass.

Beales said the FTC lacks jurisdiction to restrict telemarketing calls from telephone companies, banks, nonprofit groups, insurance companies, and companies making calls within an individual

state's borders.

"You will get fewer calls with this rule," Beales said. "But we certainly can't promise that all calls will be blocked."

Beales said he was hopeful the Federal Communications Commission, which has oversight over banks and phone companies, would follow the lead of the FTC and force those industries to abide by the do-not-call list.

Swift and Bosley both said they would support state legislation that would restrict calls from in-state telemarketers.

Nonprofit telemarketing calls would still be exempt from the FTC rule, but Beales said the US Patriot Act that was signed into law in October would allow the agency to bar calls from for-profit telemarketers seeking charitable contributions on behalf of nonprofits.

The proposed amendment to the FTC's telemarketing sales rule would toughen it while leaving most of its elements in force, including provisions limiting telemarketing calls to the hours between 8 a.m. and 9 p.m.

Bruce Mohl can be reached by e-mail at mohl@globe.com.



City of Cambridge

O-13.

IN CITY COUNCIL

January 28, 2002

MAYOR SULLIVAN
VICE MAYOR DAVIS
COUNCILLOR DECKER
COUNCILLOR GALLUCCIO
COUNCILLOR MAHER
COUNCILLOR MURPHY
COUNCILLOR REEVES
COUNCILLOR SIMMONS
COUNCILLOR TOOMEY

WHEREAS: The Federal Trade Commission has proposed a national do-not-call registry that would enable consumers to easily block many unwanted telemarketing calls (see attached Boston Globe article); and

WHEREAS: The FTC proposal also includes rules prohibiting telemarketers from blocking or subverting caller i.d. systems; and

WHEREAS: The proposal would provide significant consumer protection to Massachusetts citizens in that Massachusetts, unlike many other states, offers almost no protection from telemarketers; now therefore be it

RESOLVED: That this City Council go on record supporting a national do-not-call register to enable consumers to block telemarketing calls and supporting the FTC's proposal to strengthen consumer protection in the area of telemarketing; and be it further

RESOLVED: That the City Clerk be and hereby is requested to forward a suitably engrossed copy of this resolution to the Massachusetts Congressional Delegation on behalf of the entire City Council.

In City Council January 28, 2002.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script, reading "D. Margaret Drury".

D. Margaret Drury
City Clerk

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Order #13

Support a national do-not-call register to enable consumers to block telemarketing calls and support the FTC's proposal to strengthen consumer protection in the area of telemarketing.

Mayor Sullivan

In City Council January 28, 2002

ORDER ADOPTED