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"NO CALL" REGISTRY ASSEMBLY BILL 232

INTRODUCTORY COMMENTS FOR ASSEMBLYMAN MARCUS CONKLIN

OPENING REMARKS OF A PERSONAL NATURE.

THE NEED FOR THIS LEGISLATION

TELEMARKETING INVOLVES SITUATIONS IN WHICH COMPANIES MAKE UNSOLICITED CALLS TO CONSUMERS TO SELL GOODS OR THESE CALLS OFTEN ARE MADE AT TIMES WHEN SERVICES. CONSUMERS ARE EXPECTED TO BE AT HOME, WHICH IT SEEMS IS USUALLY DURING A FAMILY'S DINNERTIME. IT IS NOT UNCOMMON FOR A PERSON TO RECEIVE SEVERAL SUCH CALLS EACH NIGHT, AND EVEN MORE SUCH CALLS ON WEEKENDS. EVEN IF A PERSON HAS AN UNLISTED TELEPHONE NUMBER, HE MAY STILL RECEIVE UNSOLICITED TELEPHONE CALLS. IN SOME CASES, UNLISTED NUMBERS CAN BE OBTAINED FROM A DIRECTORY ASSISTANCE OPERATOR. THESE NUMBERS MAY BE SOLD TO OTHER ORGANIZATIONS OR PEOPLE WITH WHOM A PERSON HAS DONE BUSINESS. SOME SALES ORGANIZATIONS CALL ALL NUMBERS IN NUMERICAL ORDER FOR A NEIGHBORHOOD OR AREA.

TELEMARKETING CALLS CAN BE VERY ANNOYING FOR SEVERAL REASONS. FIRST, THEY ARE UNSOLICITED. MANY CONSUMERS ARE OFFENDED BY SUCH SOLICITATIONS FOR ITEMS THAT THEY NEITHER NEED NOR WANT. SECOND, THESE CALLS OFTEN INTERRUPT FAMILY DISCUSSIONS AROUND THE DINNER TABLE OR CAUSE THE CONSUMER TO RUSH FROM ANOTHER PART OF THE HOUSE OR YARD JUST TO RECEIVE A SALES PITCH. THIRD, THESE CALLS MAY TIE UP A TELEPHONE LINE WITH A SALES PITCH THEREBY PRECLUDING THE RECEIPT OF AN IMPORTANT OR EMERGENCY CALL FROM A FAMILY MEMBER OR FRIEND. FOURTH, IN NEVADA'S 24-HOUR ECONOMY, MANY PEOPLE WORK AT NIGHT AND SLEEP DURING THE DAY. THESE FOLKS OFTEN ARE WOKEN UP BY NUISANCE SALES CALLS FROM TELEMARKETERS. FIFTH, SOME ADVOCATES OF "NO CALL" LAWS CLAIM THAT UNSOLICITED TELEMARKETING CALLS NOT ONLY ARE ANNOYING INCONVENIENT, BUT THAT NUMEROUS HANG-UP CALLS DURING THE DAY BY AUTOMATED CALLING DEVICES MAY EVEN CAUSE PSYCHOLOGICAL HARM TO SOME INDIVIDUALS WHO MAY FEAR SOMEONE IS STALKING THEM OR THAT THEIR HOMES ARE BEING CASED BY CRIMINALS.

IN ADDITION, WHILE THERE ARE MANY LEGITIMATE TELEMARKETING OPERATIONS, SOME ARE NOT LEGITIMATE. FRAUDULENT BUSINESS OPERATORS SOMETIMES USE TELEMARKETING AS A VEHICLE FOR CONDUCTING THEIR BUSINESS. SOMETIMES, THEY USE TELEMARKETING AS A VEHICLE

TO OBTAIN SENSITIVE PERSONAL AND FINANCIAL INFORMATION FROM PEOPLE. CROOKED CALLERS USE THE INFORMATION TO OPEN BANK AND CHARGE ACCOUNTS IN VICTIMS' NAMES. OFTEN, ELDERLY PEOPLE ARE SPECIFICALLY TARGETED FOR SUCH SCHEMES. SCAM ARTISTS SOMETIMES CREATE "FLY-BY-NIGHT" OPERATIONS WHEREBY THEY RECEIVE MONEY FROM THEIR TRUSTING VICTIMS AND THEN SHUT DOWN OPERATIONS AND MOVE ON WITHOUT SENDING THE PRODUCTS THEY PROMISED. IN OTHER CASES, THESE RIP-OFF ARTISTS SEND THEIR VICTIMS INFERIOR PRODUCTS. BECAUSE THESE BUSINESSES DO NOT HAVE "BRICK AND MORTAR" STOREFRONTS WHERE CUSTOMERS CAN GO TO RETURN OR REPLACE THE PRODUCTS, THEIR VICTIMS OFTEN FIND IT DIFFICULT OR IMPOSSIBLE TO GET SATISFACTION FROM THE VENDORS. FINALLY, TELEPHONE SOLICITORS ARE NOW DIALING CELL PHONE NUMBERS TO MAKE THEIR PITCHES. FOR MANY CELL PHONE CUSTOMERS, THESE UNSOLICITED CALLS CAN DRAIN THEIR "FREE CALLING MINUTES" OR OTHERWISE COST THEM MONEY.

CURRENT OPTIONS FOR CONSUMERS TO AVOID INTERRUPTIONS OF THEIR HOME LIVES BY UNTIMELY AND UNSOLICITED TELEMARKETING CALLS INCLUDE PURCHASING TELEPHONE ANSWERING MACHINES OR SPECIAL DEVICES TO INTERRUPT COMPUTER-GENERATED TELEMARKETING CALLS. WHILE MANY OF US HAVE SUCH DEVICES, A LARGE SEGMENT OF OUR POPULATION DOES NOT HAVE THEM. BUT THAT IS NOT THE POINT. THE POINT

IS THAT CONSUMERS SHOULD NOT HAVE TO SPEND THEIR MONEY ON DEVICES THAT THEY OTHERWISE WOULD NOT PURCHASE JUST TO BE ABLE TO EAT DINNER PEACEFULLY, TO CONDUCT THEIR HOME LIVES WITHOUT UNNECESSARY INTERRUPTIONS, TO FEEL SECURE IN THEIR HOMES, OR TO GET A GOOD DAY'S SLEEP. WHILE SOME NEVADANS WANT TO CONTINUE TO RECEIVE UNSOLICITED TELEPHONE CALLS, THOSE WHO DON'T SHOULD HAVE THE OPTION OF NOT BEING INTRUDED UPON.

"NO CALL" LEGISLATION IN OTHER STATES

NEVADA DOES NOT HAVE A LAW TO PREVENT UNSOLICITED CALLS FROM TELEMARKETERS. HOWEVER, MOST OTHER STATES HAVE ENACTED "NO CALL" LAWS TO PROTECT THEIR RESIDENTS FROM THE ABUSES AND INCONVENIENCES THAT ARE CAUSED BY UNSOLICITED SALES CALLS. IN 1998, FLORIDA WAS THE FIRST STATE TO ADOPT A "NO CALL" LAW. CURRENTLY, THERE ARE ABOUT 30 STATES THAT HAVE ENACTED SOME FORM OF "NO CALL" LEGISLATION. ALL OF THE STATES CONTIGUOUS TO NEVADA HAVE LAWS DESIGNED TO PREVENT UNWANTED TELEPHONE SOLICITATIONS.

AB232

GENERAL SUMMARY

THIS BILL REQUIRES THE ESTABLISHMENT OF A STATE REGISTRY OF TELEPHONE NUMBERS WITHIN THE OFFICE OF THE ATTORNEY GENERAL. UNDER THE PROVISIONS OF THIS BILL, TELEPHONE SOLICITORS ARE PROHIBITED FROM MAKING UNSOLICITED CALLS FOR THE SALE OF GOODS OR SERVICES TO ANY TELEPHONE NUMBER INCLUDED IN A LIST THAT IS AVAILABLE FOR PURCHASE FROM THE ATTORNEY GENERAL. MAKING AN UNSOLICITED CALL IN VIOLATION OF THE PROVISIONS OF THIS BILL IS A DECEPTIVE TRADE PRACTICE. THE BILL EXCLUDES FROM THE DEFINITION OF AN UNSOLICITED TELEPHONE CALL A CALL ON BEHALF OF A ORGANIZATION, A POLITICAL PARTY, OR A CHARITABLE CANDIDATE FOR PUBLIC OFFICE. IN ADDITION, A CALL IS NOT AN UNSOLICITED CALL IF THE RECEIVER OF THE CALL (A) EXPRESSLY REQUESTED OR EXPRESSLY GAVE PERMISSION FOR THE CALL TO BE MADE, (B) HAD AN ESTABLISHED BUSINESS RELATIONSHIP WITH THE CALLER IF THE CALL IS MADE SOLELY TO VERIFY THE TERMINATION OF THE BUSINESS RELATIONSHIP; OR (C) HAS A DELINOUENT OBLIGATION FOR WHICH **PAYMENT** PERFORMANCE IS DUE BUT HAS NOT BEEN MADE. THE LIST IS TO BE PUBLISHED AT LEAST SEMI-ANNUALLY AND MUST BE PURGED **EVERY 3 YEARS.**