

 **07hr_sb0080_SC-LEUA_pt04**



Details:

(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS**

2007-08

(session year)

Senate

(Assembly, Senate or Joint)

**Committee on ... Labor, Elections and Urban
Affairs (SC-LEUA)**

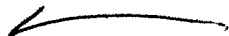
COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Plotkin, Adam

From: BRIAN DANIEL COUNSELMAN [bdcounselman@wisc.edu]
Sent: Thursday, April 05, 2007 7:56 PM
To: Sen.Coggs; Sen.Wirch; Sen.Lehman; Sen.Grothman; Sen.Lasee
Subject: Wisconsin Senate Bill 80
Attachments: SouthwesternSenateLetter.doc 

Dear Senator,

I have attached a letter concerning Wisconsin Senate Bill 80 and how it would effect the Southwestern Company. I have worked with Southwestern for the past three years and feel that it would be unjust to deter Southwestern from working with college students through their summer intership. I have gained so much from my time with Southwestern and I would hate to see that opportunity taken away from future students. Thank you for your time and consideration of this letter in your evaluation of Senate Bill 80.

Sincerely,

Brian D. Counselman

Brian Counselman
27 N. Mills St.
Apt. #3
Madison, WI 53715
(608) 438-9920

To Whom It May Concern:

I have had the privilege of working with the Southwestern Company for the past three years. I will be graduating this May with a Secondary Education degree in biology and natural science from the University of Wisconsin-Madison. I have had a number of valuable experiences during my years in college ranging from clubs, athletics and studying abroad, but none have been more influential in my day-to-day life than the lessons I've learned working with the Southwestern Company. I have come to learn and appreciate many of life's most valuable lessons such as the benefits of hard work, the value of dedication and commitment, and the irreplaceable worth of a positive attitude all through my years with Southwestern.

It goes without saying that on the surface selling books door-to-door for eighty hours a week seems neither glamorous nor particularly beneficial for an education major, but the truth is I can not think of a more valuable life experience for a college student. I have not only seen these benefits in myself, but have also had the privilege working with, managing and supporting numerous friends and fellow college students in the same endeavor for the past three years.

Looking back on my time with Southwestern I have quite an impressive list of initial benefits of the program including money, travel and friendships, but these were just the tip of the iceberg. In my three summers working with Southwestern I earned more than \$50,000, but I can honestly say that these monetary benefits of the program can't even come close in value to the life skills that I have taken away.

What I have always respected about Southwestern is that they aren't just working to help college students make money in the summer time. Southwestern Company is wholeheartedly in the business of shaping students into productive, energetic, inspiring, healthy and happy adults. During Southwestern functions I not only learned how to run my own business, manage my time and inspire fellow students, but more importantly I learned the value of making positive life choices, appreciating my family and friends, and even the joys and challenges of love and relationships. I have always left Southwestern functions, not only feeling more educated in sales and management, but also motivated, enthusiastic and thankful about life in general. I can't think of a single other company I could have worked with that would have been so invested in me as an individual, not just my sales productivity.

Currently I am student teaching in a seventh grade classroom in Madison and I am thankful every day for the preparation I received through Southwestern. It may not seem apparent at first, but the parallels of selling books door-to-door and working with young

people is amazing. I am fully aware that I have much to learn in life as a twenty three year old, but I am unbelievably grateful that I have been able to directly confront and improve on many of the weaknesses I possess at such a young age. The things I have learned through Southwestern and now hold in such high regard are the very things I see many of my fellow teachers still struggling with later in life. I have worked with so many teachers that struggle to find the best in a situation, have difficulty managing their time and tasks, and have a hard time communicating effectively with staff, parents and students. These skills are at the core of nearly every profession, but it seems they are also skills that are all too often avoided and not directly confronted in people's lives. I am far from an expert educator, but I have seen first hand how a smile and positive outlook can immediately improve a difficult situation, how effectively using your time can alleviate many of life's stresses, and how simply being a caring and considerate listener can go a long way in making you an effective communicator.

My goals in life include being a son, brother and uncle that my family can be proud of, a teacher that can prepare students in science while inspiring them in life, as well as husband and father that can exhibit the same patience, compassion and love that I have received in my family. I had always hoped that I would find these things in life, but now I know it has little to do with hope at all. I am confident that I will achieve these things because when it comes down to it life is a matter of making a commitment to the things that are important to you and making the choices to achieve those goals. I am grateful every day that Southwestern has helped me realize that.

I realize that some forms of direct sales are not managed with the same values, consideration and personal involvement as the Southwestern Company, but I truly think it would be unjust to deprive future generations of young adults the opportunity to improve and inspire themselves and others through Southwestern's summer internship. I thank you for your consideration of this letter in the evaluation of *Wisconsin Senate Bill 80 – 2007*.

Sincerely Yours,

Brian D. Counselman



Plotkin, Adam

From: Mike Schneider [mike@mikeschneiderband.com]
Sent: Thursday, April 05, 2007 8:49 PM
To: Sen.Coggs
Subject: Do Not Pass Senate Bill 80

Dear Sen. Coggs,

I am emailing you to ask that you vote against the bill that will prohibit students working for the Southwestern Company from selling books in the state of Wisconsin. Young people have far too much to gain from this program for it to be abolished.

As a host for two college students in the summer of 2006, I witnessed first-hand the lessons they were taught in hard work and determination, and how their efforts paid off. The system Southwestern taught them provided skill sets in the areas of accountability, responsibility, organization, and time management that a summer job flipping burgers or mopping floors simply would not have offered - not to mention that the financial incentive for hard work in the book field is far greater than that for the many other summer job opportunities available to college students. It's no wonder such reputable companies as Edward Jones highly favor alums of Southwestern when recruiting new candidates.

Please consider that by approving this bill, you will be denying Wisconsin college students a tremendous opportunity, you will be killing a 150 year old tradition, and you might just be stifling some of Wisconsin's most promising business men and women of the future.

Thank you for your time and consideration.

Sincerely,
Mike Schneider

04/06/2007



April 5, 2007
Senator Spencer Coggs,
Chair, Committee on Labor, Elections and Urban Affairs
Room 123 South
State Capitol
Madison, WI 53707-7882

APR 09 2007

Re: Senate Bill 80, from a mom

Dear Senator Coggs,

As a over-protective mom of two, I was concerned when my 18 year old son first called in 2002 to tell me about his door-to-door internship selling books with the Southwestern Company. Conversations with parents of former/current company interns, along with extensive research, initially reassured me on both safety and pay issues. After watching my son, along with hundreds of other Southwestern students I have met over the last five years he has sold books door-to-door in Wisconsin (last summer), California, Indiana, and Texas, I have nothing but wonderful things to say about this particular company. **I certainly hope that you will not be throwing out an amazing and safe opportunity for our young people in an effort to rid the state of those which are clearly irresponsible.**

Safety is a huge issue for all of our young people and it is a tragedy when one of them dies for any reason. However, although I prayed for their physical, mental, and emotional safety, I did let my kids cross the street, attend high school, date, drive cars, go off to college, and even study/travel overseas. And, yes, after ample research, including verifying that safety is well-addressed at their annual sales school, I signed for my son to act as an independent contractor and sell books with Southwestern Company. Ironically, our closest brush with death came with my daughter who did not sell books; it followed her freshman year full of terror attacks, anthrax, and snipers while at college in Washington D.C. Despite her caution, she sustained injuries inflicted a careless adult driver who careened toward her in a peaceful suburb.

As an intern with the Southwestern Company, my son developed an excellent work ethic and helped pay for college and subsequent bills. While some of my kids' peers enjoyed temporary jobs or easy summers of partying, my son learned to set goals and maintain a positive attitude even in the face of challenges. He developed strong communication skills as he talked with thousands of lovely families who were impressed with his professionalism and friendliness; I know it for a fact as I got phone calls from some of them! With company support, he received on-the-job management training while running his own business, began to take full responsibility for his outcomes, and had real experience to list on his resume -- all while selling a quality product which I, myself, use with the students I teach. Could any parent ask for more?

Enact a law which make it onerous to recruit independent contractor/interns or for honest young adults to engage in door-to-door sales because of the dishonest and unsafe practices of a few? **Wrong decision!** Instead, encourage those you represent to educate their children and to research any company/internship/group a young person wishes to join, and insist on mandatory safety training by ALL companies who employ young persons. Ban minors from engaging in door-to-door sales? Sounds good. **But this is clearly not the intent of Senate Bill 80. I encourage you to vote it down!**

Sincerely,



Yael Cohen
4800 Osage Dr. #30,
Boulder, CO 80303
303 444-3393 (h); 202 491-8297 (c)



April 5, 2007

Honorable Senator Spencer Coggs, Chair
Senate Committee on Labor, Elections and Urban Affairs
6th Senate District
Room 123 South
State Capitol, P.O. Box 7882
Madison, Wisconsin 53707-7882

SB 80
Folder

Dear Chairman Coggs:

I am the recruiting manager and senior career counselor at the University of Wisconsin-Milwaukee. I am writing this letter of support for Southwestern in their effort to continue their business of selling products and recruiting students in Wisconsin. I became familiar with the company and its student recruitment and training procedures from my visit to the Southwestern Sales School in Nashville the summer of 2004. Before attending the Sales School I must say that I was skeptical, especially with the recruitment of students to conduct door to door direct sales.

The visit provided me with the opportunity to ask questions and to observe firsthand what students experience during training. I was impressed by the professional and thorough way they were trained. Students received intense instructions and guidance in the areas of direct sales, goal setting, and confidence building. I had the opportunity to randomly select and talk with students who were in leadership positions as well as those who had returned for their second or third summer. The students spoke very candidly and honest about their experiences. Overall, their experiences were positive. I thought the students were motivated, enthusiastic and very competitive, which are great attributes to have for sales. Students who felt that this was not the right job for them, I did an inquiry about. I noticed that they were not pressured to stay. The benefits of being able to receive college credits for an internship and having mentors demonstrate the level of commitment this company is willing to invest in students. Overall, I think that the training students receive from a highly qualified staff, is excellent for those who wish to become entrepreneurs.

My interaction with the recruiting team at our campus was positive. Southwestern was very good about providing information to parents regarding their concerns and questions. This was done either by personally having a company representative speak with a parent, printed materials or a videotape presentation. Again, the direct sales opportunity is not for every student. However, I do think that Southwestern provides students and their parents with enough information for them to make an informed decision.

Thank-you for the opportunity to allow me to share my experience and support for Southwestern to continue as a business in Wisconsin.

Sincerely,
Ada M. Walker, Recruiting Manager





DIRECT SELLING ASSOCIATION
1667 K Street, NW, Suite 1100, Washington, DC 20006-1660
202/452-8866 • Fax 202/452-9010
www.dsa.org

April 5, 2007

Members of the Senate Committee on Labor, Elections and Urban Affairs:

Both the Direct Selling Association (DSA) and its member companies share the concerns of the legislative sponsors of S.B. 80 as well as the state agencies that have expressed their support of the bill. However, DSA believes that responsible corporate citizens including those that are DSA members, who are required to comply with DSA's Code of Ethics, should not be confused with the targeted traveling sales crew companies.

By way of background, DSA is a national trade association representing more than 200 direct selling companies such as Avon, Mary Kay, Pampered Chef, and The Southwestern Company. More than 14.1 million independent contractor salespeople are responsible for approximately 30 billion dollars in direct sales in the United States. Our mission is "To protect, serve and promote the effectiveness of member companies and the independent business people they represent. To ensure that the marketing by member companies of products and/or the direct sales opportunity is conducted with the highest level of business ethics and service to consumers."

DSA is opposed to the Traveling Sales Crew Bill, S.B. 80, in its current form for the reasons stated below. During the last legislative session, we opposed similar legislation (S.B. 251) not because our membership is against the good intentions behind the bill, but rather out of serious consideration of the adverse and unintended consequences if the bill is passed in its current form. Our position is that careful amendments are needed.

DSA firmly believes amendments to exempt legitimate direct selling companies that follow the current local and state laws would accomplish the goals of the bill's sponsors, while making it possible for the aforementioned companies to continue to operate ethically.

Such amendments could include: (1) individuals who participate in a summer sales internship or work opportunity, (2) those who are endorsed into the program by their parents, or (3) payments made by check are made to the independent businessperson, rather than to the company with the businessperson taking legal title to the goods or

services they sell. DSA cannot stress enough that we stand ready to work with any legislator or state agency in the drafting of such changes to S.B. 80.

Another issue DSA is compelled to address is the notion that classifying individuals as employees rather than independent contractors will somehow solve the problem of traveling sales crews. The fact of the matter is S.B. 80, even if fully implemented, will not stop the abuses brought to the public's attention by the proponents of S.B. 80. The rogue and dangerous van crews stay clear of local law enforcement, whereas legitimate direct selling companies work constructively with local authorities and households.

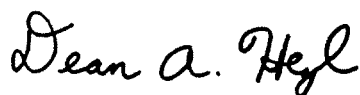
As stated earlier, more than 14.1 million individuals as independent contractors are direct salespeople. It is a legal status they wish to keep as entrepreneurs. Many of these independent business owners are drawn to the direct selling method as their method of choice in how they want to run their business.

Direct selling has significant impact on Wisconsin's economy. There are about 302,298 direct sellers in the state who made approximately \$653,261,702 in sales during 2005, which generated an estimated \$133,198,649 in federal, state and local tax revenue. (www.dsa.org/congresskit/)

In conclusion, while DSA supports the intent of S.B. 80 to go after "bad actor" traveling sales crews, we cannot stand by and watch legitimate direct selling companies be cast in the same light. In fact, the Direct Selling Education Foundation is about to launch the latest edition of its "Is That Traveling Sales Job for You?" This brochure, which was co-sponsored by the National Consumers League, is directed at young adults who are considering jobs with traveling sales crews.

I would be glad to answer any questions you may have.

Sincerely,



Dean A. Heyl
Attorney and Manager for Government Relations
Direct Selling Association
(202) 416-6420
dhey1@dsa.org



Plotkin, Adam

From: Rhett Fugman [rfugman@hotmail.com]
Sent: Friday, April 06, 2007 10:29 AM
To: Sen.Coggs; Sen.Wirch; Sen.Lehman; Sen.Grothman; Sen.Lasee
Subject: Senate Bill 80

Dear Senators,

My name is Rhett Fugman and I am writing to express my thoughts about the proposed Senate Bill 80. I am a Racine County resident and a Southwestern alumni. I have been a City of Glendale Police Officer since January 2000.

I am currently assigned to third shift and I am a Field Training Officer. Both of my brothers are also worked with Southwestern. I worked with Southwestern during the summer of 1996. It is hard to put into words how much that experience helped me become who I am today. Knocking door to door and talking to people you don't know is not an easy thing to do, and to say it builds "character" is putting it lightly. I, myself am not the talker that my older brother is. Southwestern helped me overcome some of my public speaking fears during the week long sales school in Nashville. Two fellow students and I then went to sell in an unfamiliar town and lived with a local family that took us in. Just choosing to do this job at the age of 18 made me and my family proud and of course nervous. It takes initiative and ambition to make a decision like this as a young adult. The responsibility I learned was unbelievable. I had to keep track of my sales records and finances because I was the independent dealer that purchased my books from Southwestern. You soon learn the value of hard work when you are an independent contractor because it is a major factor in how successful your summer is financially.

I use the values and work ethic this experience gave me everyday as a Police Officer, Husband, and a father. In reviewing the Senate Bill 80, it appears that Southwestern would be "clumped" in with the title "Traveling Sales Crews". I understand the concerns with the rogue magazine sellers that are here one day and gone tomorrow. I myself was once "ripped off" by someone selling magazines. Southwestern is nothing like that. We stay in an area for the summer and pay rent for a room within a family home or find a small apartment for the summer. We open local bank accounts for our finances. Southwestern dealers DO NOT sell an item and leave town the next day.

Southwestern is a good company to work with. They teach college students how to do the job safe and ethically. Students where photo ID's containing information on the dealer and wholesale supplier. Students obtain solicitation permits when required. Students are taught a quick and straightforward sales approach. Within 30 seconds the resident knows what we are doing. There are no games. That explains why Southwestern has been a Charter Member in good standing with the BBB since 1961.

I am a father of three beautiful children. If they want to work with the Southwestern Company when they go to college I would have no problem with them doing so. I would be nervous as all parents because it is a hard job, but I would be VERY proud. As a Police Officer For the past 7 years I feel I have a good judge of character. I have seen scams and arrested many dishonest people. A legitimate company like Southwestern should not be put in the same category as these dishonest and/or questionable "Traveling Sales Crews". In doing so, thousands of college students in Wisconsin would not have the opportunity to experience, learn, and grow as a young adult that I and many others have. I think the language in the Senate Bill 80 bill should be more specific, in a way that allows the Southwestern Company to continue business as usual. Southwestern is not the problem.

Feel free to contact me via email or by my home phone 262-752-1737. Senator Lehman, as a Caledonia resident (Racine County), I already contacted your office by phone and left a message with a staff member about 2 weeks ago requesting to speak with you about the bill. Please feel free to call.
Thank you for your time.

Sincerely,

Rhett Fugman



**PROPOSED AMENDATORY LANGUAGE TO
WISCONSIN SB 80**

"Excepted from the foregoing definition of a "traveling sales crew" are individuals engaged in lawful door-to-door direct selling within any locality of this state who maintain permanent residency in the state or represent products or services distributed by business entities who maintain a permanent fixed retail location, OR, who meet at least four of the following five criteria in advance of commencing door-to-door direct selling:

- 1) The individual is a sole proprietor or independent contractor as recognized by IRC Sec. 3508(b) and is in good standing with applicable tax reporting agencies; and/or
- 2) The individual controls or is otherwise individually responsible for cash or checks received from the individual's customers for merchandise or services sold; and/or
- 3) The individual possesses title to merchandise sold and delivered to the individual's customers; and/or
- 4) The individual posts with the DATCP a valid fidelity insurance bond in an amount no greater than \$10,000 in his or her name, in advance of being engaged in door-to-door direct selling in any locality, to insure the direct seller's faithful compliance with all applicable laws and regulations; and/or
- 5) The individual sells only products or services provided by business entities which maintain jurisdictional nexus within the state.

Notwithstanding the foregoing exception, direct sellers exempted from the definition of a "traveling sales crew" will, nonetheless, be required to:

- a) Receive, acknowledge as having received, and strictly comply with the Wisconsin statutes relative to consumer protection and public safety to the extent the applicability thereof does not obviate the effect of the exception set forth above; and
- b) Register with the Department of Agriculture, Trade, and Consumer Protection in advance of door-to-door selling in any locality within the state, their:
 - i) Name,
 - ii) Local address,
 - iii) Permanent address,
 - iv) Phone number,
 - v) Social Security number, and
 - vi) Description of products or services to be sold.

*possible
SB 80
amendment*



Plotkin, Adam

From: rpfister@uwalumni.com
Sent: Sunday, April 08, 2007 8:57 PM
To: Sen.Coggs; Sen.Wirch; Sen.Lehman; Sen.Grothman; Sen.Lasee
Subject: Senate Bill 80 - 2007

To Whom This May Concern:

My name is Ryan Pfister. I am writing to you gentleman in regards to Senate Bill 80.

I worked for The Southwestern Company in the summers of 2003 and 2004.

I also recruited for them during the school year of 2003-2004. I wanted to express the life lessons, work ethic, and sales skills I learned while being part of something that was greater than myself.

I know the perceptions of door-to-door salespersons are not very credible, but not letting future college students have the opportunity I did would be a large mistake.

As a salesman for Southwestern, I separated myself from other college students by showing I am not against relocation, I have the ability to work harder than anyone else I am up against, and I can handle rejection by thinking on a positive level.

I like to be able to compare situations to sports, and the closest thing I can come up with for this situation is how people view Robert Montgomery Knight. He is obviously one of the most successful and well-known head men's basketball coaches in collegiate history. He has won multiple national championships, has the record for all-time wins, and has produced many NBA starts.

The knock on Knight, somewhat parallel to the door-to-door salesmen which Bill 80 is intended, is that he acts volatile towards his players, harasses the referees, and talks down to the media.

What people may not know about him, which is obviously Southwestern in this analogy, is that he graduates nearly 100% of his players; which in this day and age is almost unheard of. Something else as nearly astounding is that the schools he coached for were never charged with NCAA violations, much less any investigations. Also, anyone that has ever played for him speaks very highly of how he changes boys into men.

Hopefully that analogy made sense, because I believe what you are trying to do with The Southwestern Company is lump them into a group they shouldn't belong. If I had not sold books door-to-door for two summers, I wouldn't be close to the person I am today. In truth, I wouldn't be with the woman I am with either. I got my first job at one of the most well-known companies in the Fox River Valley. One of the reasons I was offered this job was because they saw I worked for The Southwestern Company. Bottom line, my girlfriend and I met at work, and we are still together today in a house we bought together.

My stance is this: I am letting you know that I am opposed to Senate Bill 80 as it stands because it hurts the credible companies and well-intentioned college students who work hard not only to earn a Bachelor's degree from their respective institution, but also gain life skills from Southwestern University, even if it is coached by Bobby Knight.



Plotkin, Adam

From: Jolene Funk [jfunk@coldwellhomes.com]
Sent: Monday, April 09, 2007 11:27 AM
To: Rep.Moulton; Rep.Hilgenberg; Sen.Lehman; Sen.Wirch; Sen.Lasee; Sen.Grothman; Sen.Coggs; Rep.Van Roy; Rep.Townsend; Rep.Murtha; Rep.Ballweg; Rep.Fields; Rep.Soletski; Rep.Hebl
Subject: Senate Bill 80
Attachments: Dear Senators.doc

Dear Senators and Assmbly Committee (AB 208),
I have written a letter concerning Senate Bill 80. Please take these thoughts into consideration. Please call me or email if you have any questions.

Thank you for your time.
Sincerely,
Jolene Funk

Jolene Funk
Coldwell Banker TREG, Inc.
(920) 242-2588
jfunk@coldwellhomes.com

April 9, 2007

Dear Senators and Assembly Committee,

Thank you for taking the time to read this letter concerning Wisconsin Senate Bill 80. I am an alumnus of the Southwestern Company. Southwestern has been in business since 1868 helping young people finance their education through selling books. I am opposed to Wisconsin Senate Bill 80. Please take these thoughts into consideration.

The Southwestern Company's mission is simple: To be the best organization in the world at helping young people develop the skills – and the character – they need to achieve their goals in life. *We build people*: the people who sell our products; the consumers who benefit from them; and the people who become members of our team of employees. *We build people. And those people are building a great company.*

It has been a few years since my days selling educational books and software with Southwestern. I eased into a career in real estate because of my experience running my own business with Southwestern. I work for Coldwell Banker, The Real Estate Group, Inc. I have enjoyed much success in this career because of my seven years of experience with Southwestern.

I began running my own business at the age of 19 during my Freshman summer of college at Marquette University. I chose this opportunity because of the real life experience, travel and potential to pay my way through college. When I heard about this opportunity from a friend, I didn't look at this as a job, but a career to take me through college. My first summer was quite successful financially. The money all went toward college. My parents were not paying a penny toward my education. The experience was unbelievable. I was my own boss and had to motivate myself, keep a good attitude and work hard every day. I took what I learned that summer and became a student manager. I talked to my friends and family members that were in college and brought out small teams during the next 4 years of college. I not only sold during the summers, but gained valuable management experience. I ran my own business for a total of 5 summers while at Marquette.

My love of the company, products and challenge led me to a mini-career after graduation. I went on to work with students from Northern Illinois University and the University of Oshkosh. I was in charge of selecting and training students for successful summers. I also worked with these students during the summer. Even though my selling days with Southwestern are over I am still involved with the students that come to Wisconsin. My husband and I have hosted 3-4 college students in our home for two summers. We look forward to many more summers when we can share this experience with students.

I came back summer after summer because I love the Southwestern experience. It is one of the most unique opportunities in the world for young people. Instead of working as a life guard, babysitter or working at a restaurant I wanted an opportunity where I could grow and develop skills to put on my resume. I was able to travel to a different state each summer and learn about the way people live and make decisions. I was away from home

as an independent hardworking college student. I didn't take my time in college for granted like some of my classmates. I took this time to set myself apart from every other college student getting a normal college job.

Wisconsin Senate Bill 80 does not consider legal and law abiding companies like Southwestern. Southwestern is not the stereotypical "traveling sales crew". Students live with host families throughout the entire summer. We didn't "burn" through towns ripping people off. I established rapport with people and got referral after referral to talk with their family and friends. These valuable skills that I learned are the same skills I apply every day in my real estate career. Southwestern's educational products are high quality products that sell themselves. I did not have to talk people into them. They made a simple yes/no decision and that was it.

This bill prohibits independent contractors. I don't agree with that because that is ultimately what set us apart from other college students. I ran my own business. The harder I worked, the more successful I was. That is similar to my career now in real estate. I don't get paid by the hour. I get to set my own schedule and determine my own goals. There is no company dictating what I have to do. If this bill gets support, students will no longer be able to offer their high quality educational books and software to families here in Wisconsin.

My seven years working with Southwestern helped me grow in many ways. I got training for life. It was a real world experience. Everything from a good handshake, looking someone straight in the eye to motivating myself when I felt like giving up, I wouldn't trade this experience for anything. I dealt with many challenges over the course of the summers. These challenges were not obstacles, but opportunities. I gained confidence, determination and drive knowing that these challenges were making me stronger. I could have been sitting at home on the couch during all of these summers, but instead I made the decision to be successful. Do not take this opportunity away from college students.

Southwestern is a strong company with roots back to 1868. They have been charter members of the Better Business Bureau since 1961. Students comply with local ordinances, get proper permits and wear photo ID badges. Each summer students live in one community living with a host family for 10 -15 weeks. They set up local checking accounts, eat breakfast at the local diner, and enjoy the local community. Customers know within the first 30 seconds who the students are and what they are selling. All of the order forms and receipts comply with governing regulatory agency rules. The students pay their own taxes and Southwestern assists all states in collecting sales tax revenue by remitting directly to the state. Our customers have a contact center for questions.

Southwestern offers some of the best training around. During the college semester students receive one-on-one and group training. Prior to the summer there is a large spring training meeting in Madison. Students then go through an 80 hour sales school in Nashville, TN prior to talking to their first customer. Throughout the summer further

training is provided one-on-one and on days off. Students that participate as student managers receive hours of extra training at a training provided over winter break. All of this training covers product information, ethics, etiquette, business management, finances and motivation.

Safety was our number one concern while working for Southwestern. As a woman, I have to say that I felt completely safe. We planned ahead of time talking with local police departments and our host family about potentially unsafe areas. During sales school there is a meeting specifically for women about safety. It was very informative. We were informed to trust our intuition and never go into a home alone with a male. I often times enjoyed my time out on the porch or in the front yard on a nice summer day.

Please don't take this opportunity away from young college students. I understand that there are "unsafe" companies out there taking advantage of kids. This is not one of them. This company has successfully trained thousands of politicians, doctors, teachers and professionals. This is a quality company based on values and tradition. Please consider all of the wording in this Bill before making a decision.

Sincerely,
Jolene Funk
(920) 242-2588
jfunk@coldwellhomes.com
11907 Novy Rd
Whitelaw, WI 54247



Plotkin, Adam

From: Dan Counselman [dcounselman@wi.rr.com]
Sent: Monday, April 09, 2007 5:38 PM
To: Sen.Coggs
Subject: Wisconsin Senate Bill 80 -2007
Attachments: Wisconsin Senate Bill 80 - 2007.doc

Packet

Dear Senator Spencer Coggs:

Please consider my attached letter and do not pass Wisconsin Senate Bill 80 - 2007 in its present form.

Thank you,

**Donna Counselman
Riverview Middle School
300 Riverside Circle
Plymouth, Wisconsin 53073
Home Phone 920-892-6133**

April 9, 2007

RE: Wisconsin Senate Bill 80 - 2007

Dear Senator:

As you consider Wisconsin Senate Bill 80 - 2007 tomorrow, I would like to share my experiences with The Southwestern Company.

Our youngest son, Brian, approached us three years ago as he considered becoming a salesman with The Southwest Company. My response was negative and I immediately made it clear that I could not support his plan. I couldn't imagine my baby walking door-to-door in some large city. I told him that I was sure that the exciting sales prospects were no doubt isolated success stories and that often; unfortunately, sales companies had a knack for making things sound better than they were. Brian continued to share information as he attended sales presentations with SW. I soon learned that Southwest encouraged students but then actually trained them as they built businesses. Brian began to explain the tremendous respect that reputable companies such as Edward Jones had for Southwest. I watched my child grow into a responsible young man that first summer, as he finished with about \$16,000 to apply to his junior year at UW-Madison. Brian learned how to work as he knocked on doors eighty hours a week, leaving his golf clubs in his closet here at home. Brian continued this summer sales work for the next two summers, yielding \$6,000 and \$28,000 respectively. These very successful summers allow him to graduate next month with very little debt as he enters the workforce as a teacher.

His financial gain was tremendous according to our standards but more importantly he realized new things about himself that he might never have otherwise. Does hard work pay off? Could he work long hours under extreme pressure? Could he keep a positive attitude? Could he encourage others? Could he set up a business and be successful? Brian's prior education had taught him much but Southwest supported and trained him in a whole new avenue.

Southwest amazed me with the extent of their weeks of training. Brian met on weekends throughout the school year as he was trained to honestly be aware of what would be expected of him if he was to be successful. Sales school for one week at the start of the summer was a cross between church camp and a pep rally. I credit all the Southwest folks who train these young adults with being extremely dedicated to the "big picture" - that of preparing college students with life skills.

We also had the good fortune to offer housing to three young men from Montana this past summer as they sold books here in Wisconsin. We were able to see first hand what a summer of selling books actually entailed. I finished the summer being even more impressed with Southwest!

I understand that some door-to-door experiences are not of this caliber and that some young people are being placed in dangerous situations and are poorly trained. That is not the case with Southwest!

Please consider revising the proposed bill so that Wisconsin students and residents can continue to benefit from the outstanding program that Southwest has provided us for many years.

Thank you for taking a careful look at Wisconsin Senate Bill 80 - 2007 and supporting the success of Southwest in the lives of many Wisconsin families.

Sincerely,

Donna Counselman
Middle School Educator
Plymouth School District
Plymouth, Wisconsin



Plotkin, Adam

From: Amy Deshotels [deshoa87@uwosh.edu]
Sent: Monday, April 09, 2007 11:19 PM
To: Sen.Coggs
Subject: Senate Bill 80

Dear Senator Coggs:

As a concerned citizen of the state of Wisconsin, I am writing in response to Senate Bill 80. If this bill is passed it will ban "traveling sales crews" from the state of Wisconsin. I support the intent of the bill, to keep these "traveling sales crews" out of Wisconsin; however, as written the vague language of the bill would have a negative impact on credible and legitimate companies. One such company that would be negatively affected is the Southwestern Company.

Originally from Ogema, Wisconsin, I am a senior at the UW-Oshkosh, studying Spanish and pursuing further schooling in aviation. This will be my third summer with the Southwestern Company, and I look forward to working with them during the rest of my college career.

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The Southwestern internship program has had and continues to have a large impact on the person I am becoming, the things I am able to do, and the career skills I'm learning. Financially, the Southwestern program has helped me to realize some of my goals and dreams in my life and continues to do so. I was able to spend my sophomore year of college in Spain because of the money I earned during my first summer selling books. Now, the money I earn is allowing me to pursue my dream of a career in commercial aviation. I recently earned my private pilot's license, entirely paid for with money I earned during the summer.

Through my participation in the Southwestern program, I am developing professional skills that will set me apart from my peers. When I graduate, I will have three summers of professional work experience, two of them in management. My resume experience includes talking to thousands of families each summer, running my own business, and managing the people on my team. On a personal level, Southwestern has had an enormous influence on the person I am. Through my summers, I have developed confidence in myself to strive for my goals in life, even if they seem impossible at times. I have also learned how to set goals and to take the necessary steps to realize those goals.<!--[endif]-->

These are only a few of the ways the Southwestern Company has impacted my life. In its current form, Senate Bill 80 will prevent other Wisconsin students from having the same opportunity to work with the Southwestern Company and to use this to reach their goals in college and in life. I urge you to reconsider the wording of Senate Bill 80 so this opportunity will be available for other college students in Wisconsin.

Sincerely,
Amy Deshotels

Amy Deshotels
W5000 Hwy 86
Ogema, WI 54459
deshoa87@uwosh.edu

04/10/2007





State of Wisconsin
Jim Doyle, Governor

Department of Agriculture, Trade and Consumer Protection
Rod Nilsestuen, Secretary

April 10, 2007

The Honorable Spencer Coggs, Chair
Committee on Labor, Elections and Urban Affairs

Re: SB 80, Traveling Sales Crews

Dear Senator Coggs:

The Department of Agriculture, Trade and Consumer Protection supports Senate Bill 80 relating to the regulation of traveling sales crews.

While the Bureau of Consumer Protection has limited involvement with this bill we applaud the efforts of this bill to protect Wisconsin citizens from unscrupulous traveling sales crews. This bill not only strives to protect the future employee of a traveling sales crew but may also help protect those who choose to open their door to one of the travel salespersons.

Over the years Consumer Protection has received contacts from local law enforcement agencies, the media, and consumers regarding traveling sales crews. The department has taken a role in many high-profile investigations of these practices in recent years. We would like to share three examples with this committee:

- The department assisted in the investigation of the tragic van accident that resulted in the death of 7 traveling crew members. Without this bill, traveling sales crew members are still exposed to the same practices that lead to this incident.
- In 2001 the department responded to a call from a female crew member who was being assaulted in a hotel room. The department worked with local law enforcement officials to resolve the issue.
- Finally, the department has been called when crews are selling cleaning chemicals that may be hazardous substances or not labeled properly for handling and safety precautions under s.100.37, Wis. Stats. In one case it was discovered that the sales crew members had not received any training on proper handling and storage procedures for the product, which proved to be a hazardous substance.

In addition we have received consumer complaints from the elderly falling victim to the methods used by traveling sales crews when they have unknowingly opened their doors for a sales pitch. Some of these consumers have been threaten, robbed, and attacked. It

Agriculture generates \$51.5 billion for Wisconsin

is not unusual in these cases for traveling sales crew employees to have broken consumer protection laws just to make the sale. The bill would allow DWD to consider Consumer Protection statutes and rules when determining whether a certificate of registration is appropriate.

We thank the Committee for the opportunity to comment on Senate Bill 80.

Sincerely,


Janet Jenkins, Administrator
Division of Trade & Consumer Protection





Testimony of JoAnna Richard, Deputy Secretary, in support of SB 80
Senate Labor, Elections and Urban Affairs Committee
April 10, 2007

Just days after I began my job at the Department of Justice, the tragic Janesville van crash occurred, killing seven and injuring five others. As many of our DOJ attorneys and investigators went to work to sort out criminal and liability concerns, others were asked by then Attorney General Jim Doyle to find ways to prevent this type of tragedy from ever happening again. What you see here before you today was our best effort then and what continues to be our best effort now to curtail this industry and avoid future tragedies. Senator Erpenbach, supportive legislators, DWD and DATCP, and most of all, Phil Ellenbecker, remain as committed today in seeing this legislation passed as ever before. I strongly urge your support of SB 80.

I offer you this testimony as Deputy Secretary of the Department of Workforce Development, the department charged with the regulatory and enforcement responsibility under SB 80, but, also as one who has worked on this issue for the last 8 years and believes that SB 80 is vital for our state to enact.

Door-to-door sales crews in this country have represented a major employment problem in this country for many years. The employers tend to recruit young adults from low-income families with promises of high wages (commissions) and an exciting job. That often is not the case and is far from the reality they will face.

Employers of door-to-door crews frequently move from state to state, hiring workers, requiring long hours and then, when the employer once again moves on, leaving unpaid workers behind. In other cases, crew chiefs take workers far away from home and withhold pay to ensure the workers are dependent upon them for daily food and lodging, using it as a means of controlling crew workers. Others have physically and sexually harassed workers to intimidate them. This is but a sample of the techniques used in this so-called "industry". You will hear much more compelling testimony later this morning, including first hand accounts of former crew members in addition to the extensive research conducted by Phil Ellenbecker, outlining criminal behavior and nefarious business techniques. The bottom line is that this industry must be curtailed and it must be cleaned up.

In 1985 the Legislature enacted our current DWD-administered regulations designed to limit and severely regulate the use of minors in Wisconsin in door-to-door sales. This legislation has proved quite successful in discouraging the use of minors in door-to-door sales since that time. As a matter of record there have only been three businesses registered in Wisconsin to conduct door-to-door sales using minors. Obviously no

legislation can ensure the complete elimination of prohibited activities. Nevertheless it appears within the past nineteen years there has been a significant reduction in the use of minors in Wisconsin for door-to-door sales while other states have not noticed similar reductions.

SB 80 attempts to take the model of the 1985 legislation and apply similar registration requirements to employers seeking to use traveling sales crews in Wisconsin or crews that originate in Wisconsin. **One of the principal differences in this legislation from the 1985 legislation is that the 1985 legislation only protected persons under 18 years of age. This legislation attempts to protect any individual working on a traveling sales crew and totally prohibits minors from working on a traveling sales crew.**

The Legislature has exercised a necessary oversight role in other similar legislation, ensuring that employers provide a safe working environment for employees, paying their employees, and disclosing the conditions of employment to workers. **This legislation pursues those same protections for employees of traveling sales crews by creating unique requirements designed to fit the nature of the business.**

The provision requiring employers of traveling sales crews to maintain a surety bond, for example, allows DWD to ensure restitution when the employer doesn't pay crew members. Since the employer may no longer be located in Wisconsin the department can't simply use normal collection methods for employers with firm roots in Wisconsin. The bond allows the department to place a claim against the bond for any unpaid wages.

As the incident with the 1999 van crash clearly showed, unethical employers of traveling sales crews frequently ignore state laws and no legislation will fully address this problem. It will, however, provide a number of tools for the department to use to lessen the likelihood those employers will choose to do business in this state. Additionally, if violating our laws, DWD will have the necessary tools to render some justice to the affected employees.

I urge your support of SB 80 and appreciate your quick and speedy action.