



May 21, 2013

Testimony on Senate Bill 155

Representative Keith Ripp

Senate Committee on Energy, Consumer Protection and Government Reform

I want to thank committee members for allowing me to present testimony today in favor of Senate Bill 155.

Current law regulates "telephone solicitation" and prohibits a telephone solicitor from making a telephone solicitation to a residential customer whose phone number is on the Wisconsin No Call List. The Department of Agriculture, Trade and Consumer Protection has the authority to regulate and enforce telephone solicitation through the state "No Call Law." The Federal Trade Commission also regulates telephone solicitation and maintains a national No Call List, duplicating service for the consumer.

Senate Bill 155 would combine the state No Call List with the FTC No Call List. Consumers will no longer have to call the Wisconsin Department of Agriculture, Trade, and Consumer Protection every two years to be placed on Wisconsin's No Call List. One call by the consumer to the FTC will have their number registered on the national No Call List for the remainder of time that number is in service or associated with the current consumer. Currently DATCP promotes quarterly registration deadlines, which can be costly and confusing to consumers to whom may not remember when and if they registered for Wisconsin's No Call List. Consumers may have registered with the Federal Trade Commission's list but not registered for Wisconsin's list causing frustration. SB 155 will be a substantial benefit to consumers as registering for one list is much simpler and they will still be covered by Wisconsin's more consumer friendly laws.

DATCP will still have regulatory and enforcement authority but will not be burdened with the administrative bureaucracy of having to manage a quarterly No Call List, potentially saving Wisconsinites an estimated \$190,000 a year. Telephone solicitors will still have to register with DATCP and the current fee structure will remain in place. DATCP will continue its promotion of the No Call List and will publish the new procedures on its website.

Thank you members, I ask for your support and I would be more than happy to answer any questions.



State of Wisconsin
Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection

Ben Brancel, Secretary

Senate Committee on Energy, Consumer Protection and Government Reform
Remarks of Michelle Reinen, Director
Bureau of Consumer Protection
May 21, 2013

SB 155 – No Call Registry

Saves money, increases services to consumers

- Using the Federal Trade Commission's Do Not Call List means that the FTC will maintain our No Call List for us. Now, DATCP pays a vendor to maintain the list.
- Most states direct their residents to the federal Do Not Call list and use it for enforcement of state no call laws. Only 14 states, including Wisconsin, maintain a state list in addition to the federal list.

Consumers

- Registering on one list is simpler for consumers, who wonder why they are asked to sign up on two lists
- Consumers continue to benefit from additional protections provided in state law
- Registrations on the federal Do Not Call List are permanent. Wisconsin consumers will no longer have to register every two years.
- Consumers can verify or remove a registration on the federal list.
- Under the bill, numbers now on the state list will be merged with the federal list. This will save consumers the step of re-registering on the federal list.
- As of January 2013, more than 2 million residential phone numbers were registered on the Wisconsin No Call List. (In comparison, the federal DNC List has 3.8 million Wisconsin numbers as of September 30, 2012).

Businesses

- One list is more efficient for businesses, who will no longer have to download a state list and a federal list.
- The federal Do Not Call list is free to telemarketers using five or fewer area codes.
- Federal list is updated daily; telemarketers must refresh their lists at least every 31 days. State list is updated quarterly.
- State registration and no-call laws would continue to apply.
- Wisconsin currently has 485 licensed telemarketers
 - In 2013, average No Call registration fee: \$3,591.98
 - median fee: \$875.00
 - fee capped at \$20,000

Agriculture generates \$59 billion for Wisconsin

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Fiscal management

- Eliminates unnecessary spending and redundancy, while leaving important consumer protections in place.
- Since the No Call law was enacted, DATCP spent more than \$1.4 million on maintaining the list. Payments to the vendor who maintains the No Call List are at least \$185,000 a year. The savings will be redirected to technology upgrades that will assist in additional enforcement.
- At least 25 percent of bureau resources are devoted to administering state No Call law.

Why have a state No Call Law? Differences between federal and state No Call

- Existing customer/current client: Federal rules allow a company to call you for up to 18 months after the last time you did business with the company. In addition, a company may call a consumer for up to three months after the consumer makes an inquiry or submits an application to the company. Wisconsin law allows companies to call you just once after you stop doing business with them.
- If you do business with a company, federal rules allow that company's affiliated businesses to call you. Wisconsin rules do not.
- We follow up on every complaint we receive. FTC receives millions of complaints every year and reviews them to find overall trends in the marketplace.

Implementation

- DATCP will publicize the new registration procedure and conduct outreach to educate the public. It will also contact telephone solicitors to inform them about the new requirements. We also plan to initiate rulemaking to bring the administrative rule in conformity with statute.