

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on February 22, 2000 in Room 123-S of the Capitol.

All members were present except: Senator Feleciano (excused), Senator Umbarger

Committee staff present: Lynne Holt, Legislative Research Department
Jerry Ann Donaldson, Legislative Research Department
Bob Nugent, Revisor of Statutes
Betty Bomar, Secretary

Conferees appearing before the committee:
Steve Kearney, Kansas Press Association
Steve Rarrick, Deputy Attorney General

Others attending: See attached list

SB 614 - Use of municipality by fictitious business in printed advertisement as deceptive act under Consumer Protection Act

Steve Kearney, Kansas Press Association, testified the language in **SB 614** is broad and can be interpreted to have liability consequences for newspaper publishers and require written assurances from each advertiser. ([Attachment 1](#))

Steve Rarrick, Deputy Attorney General, submitted an amendment to **SB 614** which would broaden the geographical area in subsection (12), on Page 2, by adding the words “community or region”; and an amendment on Page 3 which would relieve a newspaper publisher of any liability by striking Lines 10, 11 and 12, and inserting, “when such publisher had no knowledge the business was not, in fact, located in such municipality, community or region.”. ([Attachment 2](#))

The hearing on **SB 614** was concluded

SB 539 - Telemarketers required to honor no call lists

Steve Rarrick submitted a proposed Substitute for **SB 539**, based on the Oregon Do Not Call statute. The proposed legislation establishes an existing “business relationship” as being “within the last thirty-six months”; defines “qualified trade association” and allows an association to purchase a list and disseminate the list to its members; requires the administrator to update the do-not-call list on a monthly basis; establishes a 15 day grace period for telephone solicitors; sets a maximum fee of \$10 annually for inclusion in the do-not-call list; and gives the attorney general the authority to enter into a contract with an entity to act as the administrator of the telephone solicitation program. ([Attachment 3](#))

Lynne Holt, Legislative Research Department, briefed the Committee on the Oregon Do Not Call legislation. Some policy questions to be decided are as follows: Time limitation governing the preexisting business relationship between the telephone solicitor and the consumer; whether the attorney general should maintain the list or contract for the administration; how often the administrator should be required to update the list; what the consumer should pay and the cost of the renewal fee; whether the administrator should charge a fee to consumers who request the list and whether trade associations should be allowed to access the list on behalf of their members; whether consumers should be notified about the program and how that determination should be made. ([Attachment 4](#))

The Committee raised questions as to whether emails and faxes should be included. Mr. Rarrick stated unsolicited faxes are presently covered under federal law. Email can be screened by the service

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provider upon request. The majority of scams committed are against the elderly and can be stopped by passage of “do-not-call” legislation.

Doug Smith, Direct Marketing Association, distributed a Memorandum responding to questions posed by the Committee on February 15 during the hearing on **SB 539**. (Attachment 5)

Doug Smith, Direct Marketing Association (DMA) distributed a Memorandum to the Committee, stating DMA’s opposition to state specific “do not call” legislation. (Attachment 6)

The Chair informed the Committee a hearing will be scheduled on the Attorney General’s proposed substitute for **SB 539**.

Senator Brownlee moved, seconded by Senator Steffes, that the Minutes of the February 18 Meeting be corrected by striking the word “conceptually”. The vote was in favor of the Motion.

Senator Steffes moved, seconded by Senator Steineger that the Minutes of the February 18 Meeting be approved as corrected; and that the Minutes of the February 21 Meeting be approved. The voice vote was in favor of the motion.

The meeting adjourned at 8:45 a.m.