56:8-120

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2003 **CHAPTER:** 208

NJSA: 56:8-120 ("No not call" –clarifies certain provisions)

BILL NO: S2776 (Substituted for A3944)

SPONSOR(S): Codey and others

DATE INTRODUCED: December 4, 2003

COMMITTEE: ASSEMBLY: ----

SENATE: Commerce

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: ASSEMBLY: December 15, 2003

SENATE: December 11, 2003

DATE OF APPROVAL: January 8, 2003

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Original version of bill enacted)

S2776

SPONSOR'S STATEMENT: (Begins on page 5 of original bill)

Yes

COMMITTEE STATEMENT: ASSEMBLY: No

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

A3944

SPONSOR'S STATEMENT: (Begins on page 5 of original bill)

Yes

Bill and Sponsors Statement identical to S2776

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: No

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or mailto:refdesk@njstatelib.org.

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES:

".N.J. doubles solicitation protection," 1-9-2004 Home News & Tribune, p.A3

Yes

[&]quot;Telemarketing ban law signed," 1-9-2004 The Times, p.A8

[&]quot;McGreevey sings laws to strenghthen 'do not call' list, "1-9-2004 Courier News, p.A3

P.L. 2003, CHAPTER 208, *approved January 8, 2004* Senate, No. 2776

1 **AN ACT** concerning unsolicited telemarketing sales calls and amending P.L.2003, c.76 (C.56:8-119 et seq.).

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4 **BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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- 7 1. Section 2 of P.L.2003, c.76 (C.56:8-120) is amended to read as 8 follows:
 - 2. As used in this act:
- "Customer" means an individual who is a resident of this State and a prospective recipient of a telemarketing sales call.
- "Director" means the Director of the Division of Consumer Affairsin the Department of Law and Public Safety.
- "Division" means the Division of Consumer Affairs in theDepartment of Law and Public Safety.
- "Local exchange telephone company" means a telecommunications
 carrier authorized by the Board of Public Utilities to provide local
 telecommunications services.
- "Merchandise" means merchandise as defined in subsection (c) of section 1 of P.L.1960, c.39 (C.56:8-1),including an extension of credit.
 - "No telemarketing call list" or "no call list" means a list of telephone numbers of customers in this State who desire not to receive unsolicited telemarketing sales calls.
 - "Telemarketer" means any entity, whether an individual proprietor, corporation, partnership, limited liability corporation or any other form of business organization, whether on behalf of itself or others, who makes residential telemarketing sales calls to a customer when the customer is in this State or any person who directly controls or supervises the conduct of a telemarketer.
 - "Telemarketing" means any plan, program or campaign which is conducted by telephone to encourage the purchase or rental of, or investment in, merchandise, but does not include the solicitation of sales through media other than a telephone call.
- Telemarketing sales call" means a telephone call made by a telemarketer to a customer <u>as part of a plan, program or campaign</u> to encourage the purchase or rental of, or investment in, merchandise, except for continuing services. <u>A telephone call made to an existing</u>
- 39 <u>customer for the sole purpose of collecting on accounts or following</u>
- 40 <u>up on contractual obligations shall not be deemed a telemarketing sales</u>
- 41 call.

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

1 "Unsolicited telemarketing sales call" means any telemarketing sales 2 call other than a call made:

- 3 (1) in response to an express written request of the customer 4 called;
- 5 or
- (2) to an existing customer, which shall include the ability to 6 7 collect on accounts and follow up on contractual obligations, unless 8 the customer has stated to the telemarketer that the customer no 9 longer desires to receive the telemarketing sales calls of the 10 telemarketer.
- (cf: P.L.2003, c.76, s.2) 11

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- 13 2. Section 9 of P.L.2003, c.76 (C.56:8-127) is amended to read as 14 follows:
- 15 9. The division shall establish and maintain a no telemarketing call list and may utilize for this purpose, in any manner the director deems 16 17 appropriate, the national do-not-call registry as maintained by the Federal Trade Commission. The division may contract with a private 18 vendor to establish and maintain the no call list, provided: 19
- 20 a. the private vendor meets standards established by the division by 21 regulations that require that the vendor:
 - (1) is financially sound;
 - (2) has the capacity to perform the service required;
- 24 (3) has a record of past performance; and
- 25 (4) does not have a conflict of interest with a telemarketer or an 26 association thereof; and
- b. the contract requires the vendor to provide the list in a printed 27 28 hard copy format, and in any other format, as prescribed by the 29 division.
- (cf: P.L.2003, c.76, s.9) 30

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- 32 3. Section 10 of P.L.2003, c.76 (C.56:8-128) is amended to read 33 as follows:
- 34 10. a. No telemarketer shall make or cause to be made any unsolicited telemarketing sales call to any customer [more than 45] 35 36 days after the customer's] whose telephone number [appears] is included on the no telemarketing call list established pursuant to 37 38 section 9 of this act, except for a call made within three months of the 39 date the customer's telephone number was first included on the no call list but only if the telemarketer had at the time of the call not yet 40 obtained a no call list which included the customer's telephone number
- 41
- 42 and the no call list used by the telemarketer was issued less than three
- months prior to the time the call was made. 43
- 44 b. A telemarketer making a telemarketing sales call shall, within the 45 first 30 seconds of the call, identify the telemarketer's name, the
- person on whose behalf the call is being made, and the purpose of the 46

1 call.

- 2 c. A telemarketer shall not make or cause to be made any unsolicited telemarketing sales call to any customer between the hours of 9 p.m. and 8 a.m., local time, at the customer's location.
- d. A telemarketer shall not intentionally use any method that blocks
 a caller identification service from displaying caller identification
 information or otherwise circumvents a customer's use of a telephone
 caller identification service.

9 (cf: P.L.2003, c.76, s.10)

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- 4. Section 11 of P.L.2003, c.76 (C.56:8-129) is amended to read as follows:
- 13 11. a. A customer who desires to be included on the no 14 telemarketing call list shall notify the division by calling a toll-free 15 number provided or denominated by the division, or in any other manner and at a time prescribed by the division. A customer who is 16 17 included on the no call list shall be removed from the no call list upon 18 the customer's written request. The [division shall update the] no call 19 list shall be updated not less than quarterly and the division shall, if the 20 no call list is not readily accessible through other means, make the no call list available to registered telemarketers [and others] for a fee 21 22 that the division shall prescribe.
- 23 b. A local exchange telephone company shall include, in every 24 telephone directory published after the effective date of this act, notice 25 concerning the provisions of this act as those provisions relate to the 26 rights of customers with respect to telemarketers and the no 27 telemarketing call list. A local exchange telephone company shall also 28 enclose, at least semiannually, in every telephone bill, a notice 29 concerning the provisions of this act as those provisions relate to the 30 rights of customers with respect to telemarketers and the no 31 telemarketing call list.

32 (cf: P.L.2003, c.76, s.11)

- 34 5. Section 16 of P.L.2003, c.76 (C.56:8-134) is amended to read as follows:
- 16. The division, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall promulgate rules and regulations necessary to implement this act, which shall include, but not be limited to:
- a. provisions governing the availability and distribution of the no call list established pursuant to section 9 of this act;
- b. any other matters relating to the no call list established pursuant to section 9 of this act that the division deems necessary; and
- c. such procedures as may be most effective to ensure that the no call list is up-to-date and accurately reflects the [names and] telephone numbers of persons wishing to be on the no call list and

procedures to identify telephone numbers that have been reallocated to persons other than those who have indicated that they wish to be on the no call list. Such procedures may include, but not be limited to, establishing a means of matching the no call list with the names and numbers of persons with current listings supplied by the local exchange telephone companies, or establishing a requirement for re-enrollment to the list from time to time.

8 (cf: P.L.2003, c.76, s.16)

6. This act shall take effect immediately.

STATEMENT

This bill amends P.L.2003, c.76 (C.56:8-119 et seq.), which established New Jersey's "no telemarketing call list," to clarify certain provisions of the law.

Section 1 of the bill amends the definition of the State's "no telemarketing call list" to remove the requirement that the list contain names of customers in order to protect customer privacy, to prevent the list from being used by marketers for mail solicitations and to reduce expenses involved with adapting the national "Do-Not-Call Registry" maintained by the Federal Trade Commission (the "national registry") which includes only customer telephone numbers.

Section 1 also amends the definition of "telemarketing sales call" to include current statutory terms, i.e., "plan, program or campaign" that are part of the existing definition of "telemarketing," in order to clarify that a business making a random or sporadic call to a customer is not required to register with the Division of Consumer Affairs (the "division") as a telemarketer. The amendment also incorporates into the definition of "telemarketing sales call" a provision from the definition of "unsolicited telemarketing sales call" to clarify that a call to collect on accounts or to follow up on contractual obligations does not constitute a telemarketing sales call.

Section 2 of the bill authorizes the division to establish the State "no call list" by adapting portions of the national registry containing New Jersey residents. This clarification provides clear authority for the division to proceed in this way to establish the State's "no call list," avoids duplication of work which has already been done by the federal government and allows New Jersey residents who have already signed up for the national registry to be included as part of the State "no call list" without requiring such residents to sign up separately for the State list.

Section 3 of the bill provides a more reasonable "grace period" for telemarketers, similar to the approach under federal law establishing the national registry, by not holding a telemarketer responsible for a call if the telemarketer could not reasonably have known the call was
in violation of the law.

Section 4 of the bill amends the updating procedures relevant to the 3 4 State's "no call list" to enable the division to rely on the federal toll-5 free number as an acceptable means of signing up for the State's "no call list" thereby eliminating the need for customers to sign up on two 6 7 different lists and avoiding duplication of a system that has already been established by the federal government. In addition, the 8 amendments in section 4 would eliminate the requirement that the 9 division sell the "no call list" to telemarketers if the list is available 10 11 from the federal government.

Section 5 of the bill deletes the requirement for New Jersey's "no call list" to include the names of the customers in addition to their telephone numbers since the national registry does not include a listing of customer names.

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20 Clarifies various provisions of law establishing the State's "no telemarketing call list."

SENATE, No. 2776

STATE OF NEW JERSEY

210th LEGISLATURE

INTRODUCED DECEMBER 4, 2003

Sponsored by:

Senator RICHARD J. CODEY

District 27 (Essex)

Senator SHIRLEY K. TURNER

District 15 (Mercer)

Assemblywoman LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Assemblyman JEFF VAN DREW

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman JACK CONNERS

District 7 (Burlington and Camden)

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

Senators Coniglio, Geist, Gill and Sarlo

SYNOPSIS

Clarifies various provisions of law establishing the State's "no telemarketing call list."

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 12/16/2003)

1	AN ACT concerning unsolicited telemarketing sales calls and amending
2	P.L.2003, c.76 (C.56:8-119 et seq.).

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4 **BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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- 7 1. Section 2 of P.L.2003, c.76 (C.56:8-120) is amended to read as 8 follows:
- 9 2. As used in this act:
- "Customer" means an individual who is a resident of this State and a prospective recipient of a telemarketing sales call.
- "Director" means the Director of the Division of Consumer Affairsin the Department of Law and Public Safety.
- "Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.
 - "Local exchange telephone company" means a telecommunications carrier authorized by the Board of Public Utilities to provide local telecommunications services.
- "Merchandise" means merchandise as defined in subsection (c) of section 1 of P.L.1960, c.39 (C.56:8-1),including an extension of credit.
 - "No telemarketing call list" or "no call list" means a list of telephone numbers of customers in this State who desire not to receive unsolicited telemarketing sales calls.
 - "Telemarketer" means any entity, whether an individual proprietor, corporation, partnership, limited liability corporation or any other form of business organization, whether on behalf of itself or others, who makes residential telemarketing sales calls to a customer when the customer is in this State or any person who directly controls or supervises the conduct of a telemarketer.
 - "Telemarketing" means any plan, program or campaign which is conducted by telephone to encourage the purchase or rental of, or investment in, merchandise, but does not include the solicitation of sales through media other than a telephone call.
- Telemarketing sales call" means a telephone call made by a telemarketer to a customer as part of a plan, program or campaign to encourage the purchase or rental of, or investment in, merchandise, except for continuing services. A telephone call made to an existing customer for the sole purpose of collecting on accounts or following up on contractual obligations shall not be deemed a telemarketing sales call.
- 41 <u>call.</u>
 42 "Unsolicited telemarketing sales call" means any telemarketing sales
 43 call other than a call made:

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

1 (1) in response to an express written request of the customer 2 called;

3 or

- 4 (2) to an existing customer, which shall include the ability to collect on accounts and follow up on contractual obligations, unless the customer has stated to the telemarketer that the customer no longer desires to receive the telemarketing sales calls of the telemarketer.
- 9 (cf: P.L.2003, c.76, s.2)

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- 11 2. Section 9 of P.L.2003, c.76 (C.56:8-127) is amended to read as follows:
- 9. The division shall establish and maintain a no telemarketing call list and may utilize for this purpose, in any manner the director deems appropriate, the national do-not-call registry as maintained by the Federal Trade Commission. The division may contract with a private vendor to establish and maintain the no call list, provided:
 - a. the private vendor meets standards established by the division by regulations that require that the vendor:
 - (1) is financially sound;
- 21 (2) has the capacity to perform the service required;
- 22 (3) has a record of past performance; and
- 23 (4) does not have a conflict of interest with a telemarketer or an association thereof; and
- b. the contract requires the vendor to provide the list in a printed hard copy format, and in any other format, as prescribed by the division.
- 28 (cf: P.L.2003, c.76, s.9)

- 30 3. Section 10 of P.L.2003, c.76 (C.56:8-128) is amended to read as follows:
- 32 10. a. No telemarketer shall make or cause to be made any unsolicited telemarketing sales call to any customer [more than 45] 33 34 days after the customer's] whose telephone number [appears] is included on the no telemarketing call list established pursuant to 35 36 section 9 of this act, except for a call made within three months of the 37 date the customer's telephone number was first included on the no call list but only if the telemarketer had at the time of the call not yet 38 39 obtained a no call list which included the customer's telephone number 40 and the no call list used by the telemarketer was issued less than three
- 41 months prior to the time the call was made.
 42 b. A telemarketer making a telemarketing sales call shall, within the
- first 30 seconds of the call, identify the telemarketer's name, the person on whose behalf the call is being made, and the purpose of the call.
- 46 c. A telemarketer shall not make or cause to be made any

unsolicited telemarketing sales call to any customer between the hours of 9 p.m. and 8 a.m., local time, at the customer's location.

- d. A telemarketer shall not intentionally use any method that blocks a caller identification service from displaying caller identification information or otherwise circumvents a customer's use of a telephone caller identification service.
- 7 (cf: P.L.2003, c.76, s.10)

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- 9 4. Section 11 of P.L.2003, c.76 (C.56:8-129) is amended to read as follows:
- 11 11. a. A customer who desires to be included on the no telemarketing call list shall notify the division by calling a toll-free 12 13 number provided or denominated by the division, or in any other 14 manner and at a time prescribed by the division. A customer who is 15 included on the no call list shall be removed from the no call list upon the customer's written request. The [division shall update the] no call 16 17 list shall be updated not less than quarterly and the division shall, if the 18 no call list is not readily accessible through other means, make the no 19 call list available to registered telemarketers [and others] for a fee 20 that the division shall prescribe.
 - b. A local exchange telephone company shall include, in every telephone directory published after the effective date of this act, notice concerning the provisions of this act as those provisions relate to the rights of customers with respect to telemarketers and the no telemarketing call list. A local exchange telephone company shall also enclose, at least semiannually, in every telephone bill, a notice concerning the provisions of this act as those provisions relate to the rights of customers with respect to telemarketers and the no telemarketing call list.

30 (cf: P.L.2003, c.76, s.11)

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- 32 5. Section 16 of P.L.2003, c.76 (C.56:8-134) is amended to read 33 as follows:
- 16. The division, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall promulgate rules and regulations necessary to implement this act, which shall include, but not be limited to:
- a. provisions governing the availability and distribution of the no call list established pursuant to section 9 of this act;
 - b. any other matters relating to the no call list established pursuant to section 9 of this act that the division deems necessary; and
- c. such procedures as may be most effective to ensure that the no call list is up-to-date and accurately reflects the [names and] telephone numbers of persons wishing to be on the no call list and procedures to identify telephone numbers that have been reallocated to persons other than those who have indicated that they wish to be on

the no call list. Such procedures may include, but not be limited to, establishing a means of matching the no call list with the names and numbers of persons with current listings supplied by the local exchange telephone companies, or establishing a requirement for re-enrollment to the list from time to time.

6 (cf: P.L.2003, c.76, s.16)

6. This act shall take effect immediately.

STATEMENT

This bill amends P.L.2003, c.76 (C.56:8-119 et seq.), which established New Jersey's "no telemarketing call list," to clarify certain provisions of the law.

Section 1 of the bill amends the definition of the State's "no telemarketing call list" to remove the requirement that the list contain names of customers in order to protect customer privacy, to prevent the list from being used by marketers for mail solicitations and to reduce expenses involved with adapting the national "Do-Not-Call Registry" maintained by the Federal Trade Commission (the "national registry") which includes only customer telephone numbers.

Section 1 also amends the definition of "telemarketing sales call" to include current statutory terms, i.e., "plan, program or campaign" that are part of the existing definition of "telemarketing," in order to clarify that a business making a random or sporadic call to a customer is not required to register with the Division of Consumer Affairs (the "division") as a telemarketer. The amendment also incorporates into the definition of "telemarketing sales call" a provision from the definition of "unsolicited telemarketing sales call" to clarify that a call to collect on accounts or to follow up on contractual obligations does not constitute a telemarketing sales call.

Section 2 of the bill authorizes the division to establish the State "no call list" by adapting portions of the national registry containing New Jersey residents. This clarification provides clear authority for the division to proceed in this way to establish the State's "no call list," avoids duplication of work which has already been done by the federal government and allows New Jersey residents who have already signed up for the national registry to be included as part of the State "no call list" without requiring such residents to sign up separately for the State list.

Section 3 of the bill provides a more reasonable "grace period" for telemarketers, similar to the approach under federal law establishing the national registry, by not holding a telemarketer responsible for a call if the telemarketer could not reasonably have known the call was in violation of the law.

S2776 CODEY, TURNER

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1	Section 4 of the bill amends the updating procedures relevant to the
2	State's "no call list" to enable the division to rely on the federal toll-
3	free number as an acceptable means of signing up for the State's "no
4	call list" thereby eliminating the need for customers to sign up on two
5	different lists and avoiding duplication of a system that has already
6	been established by the federal government. In addition, the
7	amendments in section 4 would eliminate the requirement that the
8	division sell the "no call list" to telemarketers if the list is available
9	from the federal government.
10	Section 5 of the bill deletes the requirement for New Jersey's "no
11	call list" to include the names of the customers in addition to their

12 telephone numbers since the national registry does not include a listing

of customer names.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2776

STATE OF NEW JERSEY

DATED: DECEMBER 4, 2003

The Senate Commerce Committee reports favorably Senate Bill No. 2776.

This bill amends P.L.2003, c.76 (C.56:8-119 et seq.), which established New Jersey's "no telemarketing call list," to clarify certain provisions of the law.

Section 1 of the bill amends the definition of the State's "no call list" to remove the requirement that the list contain names of customers in order to protect customer privacy, to prevent the list from being used by marketers for mail solicitations and to reduce expenses involved with adopting the national "Do-Not-Call Registry" maintained by the Federal Trade Commission (the "national registry") which includes only customer telephone numbers.

Section 1 also amends the definition of "telemarketing sales call" to include current statutory terms, i.e., "plan, program or campaign" that are part of the existing definition of "telemarketing," in order to clarify that a business making a random or sporadic call to a customer is not required to register with the Division of Consumer Affairs (the "division") as a telemarketer. The amendment also incorporates into the definition of "telemarketing sales call" a provision from the definition of "unsolicited telemarketing sales call" to clarify that a call to collect on accounts or to follow up on contractual obligations does not constitute a telemarketing sales call.

Section 2 of the bill authorizes the division to establish the State "no call list" by adopting portions of the national registry containing New Jersey residents. This clarification provides clear authority for the division to proceed in this way to establish the State's "no call list," avoids duplication of work which has already been done by the federal government and allows New Jersey residents who have already signed up for the national registry to be included as part of the State "no call list" without requiring such residents to sign up separately for the State list.

Section 3 of the bill provides a more reasonable "grace period" for telemarketers, similar to the approach under federal law establishing the national registry, by not holding a telemarketer responsible for a call if the telemarketer could not reasonably have known the call was in violation of the law.

Section 4 of the bill amends the updating procedures relevant to

the State's "no call list" to enable the division to rely on the federal toll-free number as an acceptable means of signing up for the State's "no call list" thereby eliminating the need for customers to sign up on two different lists and avoiding duplication of a system that has already been established by the federal government. In addition, the amendments in section 4 would eliminate the requirement that the division sell the "no call list" to telemarketers if the list is available from the federal government.

Section 5 of the bill deletes the requirement for New Jersey's "no call list" to include the names of the customers in addition to their telephone numbers since the national registry does not include a listing of customer names.

ASSEMBLY, No. 3944

STATE OF NEW JERSEY

210th LEGISLATURE

INTRODUCED DECEMBER 11, 2003

Sponsored by:

Assemblywoman LINDA R. GREENSTEIN
District 14 (Mercer and Middlesex)
Assemblyman JEFF VAN DREW
District 1 (Cape May, Atlantic and Cumberland)
Assemblyman JACK CONNERS
District 7 (Burlington and Camden)
Assemblyman NEIL M. COHEN
District 20 (Union)

SYNOPSIS

Clarifies various provisions of law establishing the State's "no telemarketing call list."

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/16/2003)

1	AN ACT concerning unsolicited telemarketing sales calls and amending
2	P.L.2003, c.76 (C.56:8-119 et seq.).

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4 **BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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- 7 1. Section 2 of P.L.2003, c.76 (C.56:8-120) is amended to read as 8 follows:
 - 2. As used in this act:
- "Customer" means an individual who is a resident of this State and a prospective recipient of a telemarketing sales call.
- "Director" means the Director of the Division of Consumer Affairsin the Department of Law and Public Safety.
- "Division" means the Division of Consumer Affairs in theDepartment of Law and Public Safety.
- "Local exchange telephone company" means a telecommunications
 carrier authorized by the Board of Public Utilities to provide local
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- "Merchandise" means merchandise as defined in subsection (c) of section 1 of P.L.1960, c.39 (C.56:8-1),including an extension of credit.
 - "No telemarketing call list" or "no call list" means a list of telephone numbers of customers in this State who desire not to receive unsolicited telemarketing sales calls.
 - "Telemarketer" means any entity, whether an individual proprietor, corporation, partnership, limited liability corporation or any other form of business organization, whether on behalf of itself or others, who makes residential telemarketing sales calls to a customer when the customer is in this State or any person who directly controls or supervises the conduct of a telemarketer.
 - "Telemarketing" means any plan, program or campaign which is conducted by telephone to encourage the purchase or rental of, or investment in, merchandise, but does not include the solicitation of sales through media other than a telephone call.
- Telemarketing sales call" means a telephone call made by a telemarketer to a customer as part of a plan, program or campaign to encourage the purchase or rental of, or investment in, merchandise, except for continuing services. A telephone call made to an existing customer for the sole purpose of collecting on accounts or following up on contractual obligations shall not be deemed a telemarketing sales call.
- "Unsolicited telemarketing sales call" means any telemarketing sales call other than a call made:

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

1 (1) in response to an express written request of the customer 2 called;

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- 4 (2) to an existing customer, which shall include the ability to 5 collect on accounts and follow up on contractual obligations, unless 6 the customer has stated to the telemarketer that the customer no 7 longer desires to receive the telemarketing sales calls of the
- 8 telemarketer.9 (cf: P.L.2003, c.76, s.2)

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- 11 2. Section 9 of P.L.2003, c.76 (C.56:8-127) is amended to read as follows:
- 9. The division shall establish and maintain a no telemarketing call list and may utilize for this purpose, in any manner the director deems appropriate, the national do-not-call registry as maintained by the Federal Trade Commission. The division may contract with a private vendor to establish and maintain the no call list, provided:
- a. the private vendor meets standards established by the division by regulations that require that the vendor:
 - (1) is financially sound;
- 21 (2) has the capacity to perform the service required;
- 22 (3) has a record of past performance; and
- 23 (4) does not have a conflict of interest with a telemarketer or an association thereof; and
- b. the contract requires the vendor to provide the list in a printed hard copy format, and in any other format, as prescribed by the division.
- 28 (cf: P.L.2003, c.76, s.9)

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- 30 3. Section 10 of P.L.2003, c.76 (C.56:8-128) is amended to read as follows:
- 32 10. a. No telemarketer shall make or cause to be made any unsolicited telemarketing sales call to any customer [more than 45] 33 34 days after the customer's] whose telephone number [appears] is included on the no telemarketing call list established pursuant to 35 36 section 9 of this act, except for a call made within three months of the 37 date the customer's telephone number was first included on the no call list but only if the telemarketer had at the time of the call not yet 38 39 obtained a no call list which included the customer's telephone number
- obtained a no call list which included the customer's telephone number
 and the no call list used by the telemarketer was issued less than three
- 41 months prior to the time the call was made.
- b. A telemarketer making a telemarketing sales call shall, within the first 30 seconds of the call, identify the telemarketer's name, the person on whose behalf the call is being made, and the purpose of the call.
- 46 c. A telemarketer shall not make or cause to be made any

unsolicited telemarketing sales call to any customer between the hours of 9 p.m. and 8 a.m., local time, at the customer's location.

- d. A telemarketer shall not intentionally use any method that blocks a caller identification service from displaying caller identification information or otherwise circumvents a customer's use of a telephone caller identification service.
- 7 (cf: P.L.2003, c.76, s.10)

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- 9 4. Section 11 of P.L.2003, c.76 (C.56:8-129) is amended to read as follows:
- 11 11. a. A customer who desires to be included on the no telemarketing call list shall notify the division by calling a toll-free 12 13 number provided or denominated by the division, or in any other 14 manner and at a time prescribed by the division. A customer who is 15 included on the no call list shall be removed from the no call list upon the customer's written request. The [division shall update the] no call 16 17 list shall be updated not less than quarterly and the division shall , if 18 the no call list is not readily accessible through other means, make the 19 no call list available to <u>registered</u> telemarketers [and others] for a fee 20 that the division shall prescribe.
 - b. A local exchange telephone company shall include, in every telephone directory published after the effective date of this act, notice concerning the provisions of this act as those provisions relate to the rights of customers with respect to telemarketers and the no telemarketing call list. A local exchange telephone company shall also enclose, at least semiannually, in every telephone bill, a notice concerning the provisions of this act as those provisions relate to the rights of customers with respect to telemarketers and the no telemarketing call list.

30 (cf: P.L.2003, c.76, s.11)

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- 32 5. Section 16 of P.L.2003, c.76 (C.56:8-134) is amended to read 33 as follows:
- 16. The division, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall promulgate rules and regulations necessary to implement this act, which shall include, but not be limited to:
- a. provisions governing the availability and distribution of the no call list established pursuant to section 9 of this act;
- b. any other matters relating to the no call list established pursuant to section 9 of this act that the division deems necessary; and
- c. such procedures as may be most effective to ensure that the no call list is up-to-date and accurately reflects the [names and] telephone numbers of persons wishing to be on the no call list and procedures to identify telephone numbers that have been reallocated to persons other than those who have indicated that they wish to be on

the no call list. Such procedures may include, but not be limited to, establishing a means of matching the no call list with the names and numbers of persons with current listings supplied by the local exchange telephone companies, or establishing a requirement for re-enrollment to the list from time to time.

6 (cf: P.L.2003, c.76, s.16)

6. This act shall take effect immediately.

STATEMENT

This bill amends P.L.2003, c.76 (C.56:8-119 et seq.), which established New Jersey's "no telemarketing call list," to clarify certain provisions of the law.

Section 1 of the bill amends the definition of the State's "no telemarketing call list" to remove the requirement that the list contain names of customers in order to protect customer privacy, to prevent the list from being used by marketers for mail solicitations and to reduce expenses involved with adapting the national "Do-Not-Call Registry" maintained by the Federal Trade Commission (the "national registry") which includes only customer telephone numbers.

Section 1 also amends the definition of "telemarketing sales call" to include current statutory terms, i.e., "plan, program or campaign" that are part of the existing definition of "telemarketing," in order to clarify that a business making a random or sporadic call to a customer is not required to register with the Division of Consumer Affairs (the "division") as a telemarketer. The amendment also incorporates into the definition of "telemarketing sales call" a provision from the definition of "unsolicited telemarketing sales call" to clarify that a call to collect on accounts or to follow up on contractual obligations does not constitute a telemarketing sales call.

Section 2 of the bill authorizes the division to establish the State "no call list" by adapting portions of the national registry containing New Jersey residents. This clarification provides clear authority for the division to proceed in this way to establish the State's "no call list," avoids duplication of work which has already been done by the federal government and allows New Jersey residents who have already signed up for the national registry to be included as part of the State "no call list" without requiring such residents to sign up separately for the State list.

Section 3 of the bill provides a more reasonable "grace period" for telemarketers, similar to the approach under federal law establishing the national registry, by not holding a telemarketer responsible for a call if the telemarketer could not reasonably have known the call was in violation of the law.

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1	Section 4 of the bill amends the updating procedures relevant to the
2	State's "no call list" to enable the division to rely on the federal toll-
3	free number as an acceptable means of signing up for the State's "no
4	call list" thereby eliminating the need for customers to sign up on two
5	different lists and avoiding duplication of a system that has already
6	been established by the federal government. In addition, the
7	amendments in section 4 would eliminate the requirement that the
8	division sell the "no call list" to telemarketers if the list is available
9	from the federal government.
10	Section 5 of the bill deletes the requirement for New Jersey's "no
11	call list" to include the names of the customers in addition to their

12 telephone numbers since the national registry does not include a listing

of customer names.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3944

STATE OF NEW JERSEY

DATED: DECEMBER 11, 2003

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3944.

Assembly Bill No. 3944 amends P.L.2003, c.76 (C.56:8-119 et seq.), which provided for the registration of telemarketers who make unsolicited telemarketing sales calls and established New Jersey's "no telemarketing call list," to clarify certain provisions of that law.

Section 1 of the bill amends the definition of the State's "no telemarketing call list" to remove the requirement that the list contain names of customers in order to protect customer privacy, to prevent the list from being used by marketers for mail solicitations and to reduce expenses involved with adapting the national "Do-Not-Call Registry" maintained by the Federal Trade Commission (the "national registry") which includes only customer telephone numbers.

Section 1 also amends the definition of "telemarketing sales call" to include current statutory terms, i.e., "plan, program or campaign" that are part of the existing definition of "telemarketing," in order to clarify that a business making a random or sporadic call to a customer is not required to register with the Division of Consumer Affairs in the Department of Law and Public Safety (the "division") as a telemarketer. The amendment also incorporates into the definition of "telemarketing sales call" a provision from the definition of "unsolicited telemarketing sales call" to clarify that a call to collect on accounts or to follow up on contractual obligations does not constitute a telemarketing sales call.

Section 2 of the bill authorizes the division to establish the State "no call list" by adapting portions of the national registry containing New Jersey residents. This clarification provides clear authority for the division to proceed in this way to establish the State's "no call list," avoids duplication of work which has already been done by the federal government and allows New Jersey residents who have already signed up for the national registry to be included as part of the State "no call list" without requiring such residents to sign up separately for the State list.

Section 3 of the bill provides a more reasonable "grace period" for telemarketers, similar to the approach under federal law establishing the national registry, by not holding a telemarketer responsible for a call if the telemarketer could not reasonably have known the call was

in violation of the law.

Section 4 of the bill amends the updating procedures relevant to the State's "no call list" to enable the division to rely on the federal toll-free number as an acceptable means of signing up for the State's "no call list" thereby eliminating the need for customers to sign up on two different lists and avoiding duplication of a system that has already been established by the federal government. In addition, the amendments in section 4 eliminate the requirement that the division sell the "no call list" to telemarketers if the list is available from the federal government.

Section 5 of the bill deletes the requirement for New Jersey's "no call list" to include the names of the customers in addition to their telephone numbers, as the national registry does not include a listing of customer names.

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note; the bill has no direct impact on State revenues or expenditures.



Promise Made: Stronger Protection for NJ Consumers Promise Kept: Toughest 'Do Not Call' Law in the Nation

(TRENTON) — At an AARP "Senior Town Hall" meeting today, Governor James E. McGreevey took two significant steps to make good on his promise to protect New Jersey consumers with the strongest Do Not Call legislation in the nation.

"Yet again, we are making good on our promises to New Jersey residents to have the strongest consumer safeguards possible in place to improve their quality of life and ensure corporations are held accountable," McGreevey said at the Town Hall meeting at the Trenton War Memorial.

"No single issue galvanizes consumers as much as the disturbing telemarketing sales call during dinner or other private moments with our families," the Governor said. "We have responded to these concerns by providing New Jersey residents with the strongest protections against these unwanted calls in the nation. I strongly urge New Jersey residents to call, 1-888-382-1222, or visit http://www.donotcall.gov/ to register today."

During the meeting, McGreevey signed S-2776, which amends New Jersey's Do Not Call law to provide the Division of Consumer Affairs with the discretion to utilize the federal Do Not Call registry. The legislation was sponsored by Senate President Richard Codey, Senator Shirley K. Turner and Assembly members Linda Greenstein and Jeff Van Drew.

"Utilizing the federal registry will save millions of dollars a year and make it easier to sign up for the Do Not Call program," McGreevey said. "New Jersey residents can now make one toll-free call to get on the Do Not Call registry, which is administered on a national basis, and they will be covered by New Jersey's stronger law."

"When we approved the original telemarketing ban, I declared that we were hanging up on telemarketers for good," said Codey (D-Essex). "With today's bill signing, not only are we hanging up on them, but we're getting the federal government to screen all of our calls. By joining the federal enrollment mechanism with the State's enhanced telemarketing restrictions, frustrated New Jerseyans have another level of protection from annoying and potentially unscrupulous telemarketers."

"This new law allows us to streamline the process for fed-up telephone consumers to obtain the heightened protections outlined by the original telemarketing law, while at the same time eliminating the cost of maintaining a separate database to the State of New Jersey," said Turner (D-Mercer). "Now, with one phone call, New Jerseyans can truly rid themselves of telemarketers once and for all."

AARP New Jersey State Director Jim Dieterle, said: "AARP is pleased to have led the effort toward gaining this 'best-in-nation' telemarketing privacy state law. We know from surveying our 1.3 million New Jersey members that this is just the kind of positive social change our members want and expect from AARP. We appreciate the key role Governor McGreevey played in helping make the soon-to-be-experienced 'telemarketing sounds of silence' a reality."

McGreevey also announced the filing of proposed regulations that will implement the provisions of New Jersey's Do Not Call law, which imposes tough restrictions on telemarketers who do business in New Jersey. The proposed rules, filed with the Office of Administrative Law on Jan. 2, 2004, are scheduled to appear in the New Jersey Register on February 2.

The Division of Consumer Affairs will hold a public hearing on the proposed rules on February 25 in the auditorium at Seton Hall Law School, 1 Newark Center, Newark, at 10 a.m. Copies of the proposed rules are available from the Division.

The New Jersey Do Not Call law requires, among other things, that telemarketers register annually with the Division of Consumer Affairs, disclose whether their principals have been convicted of a crime, and refrain from calling telephone numbers on the Do Not Call list. The law also imposes fines of up to \$10,000 for the first offense and up to \$20,000 for each subsequent violation.

"Consumers will benefit from a streamlined, efficient registration process when seeking to fend off overbearing telemarketers by joining the state and federal do-not-call registries," said Greenstein (D-Middlesex/Mercer). "Utilizing consumer information already compiled by the FTC will not compromise the stringent regulations governing the state's impending anti-telemarketing registry."

"When consumers sign-up on the no-call registry, they will have peace of mind that personally identifying information will not be passed along and used for unintended purposes," said Van Drew (D-Cape May/Cumberland/Atlantic). "New Jersey residents will not be asked to compromise their privacy in exchange for relief from annoying telemarketing calls."

