

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 666 (Delegates Pendergrass and Mitchell)

Economic Matters

Telephone Solicitations by Merchants - Restrictions

This bill prohibits merchants from making telephone solicitations to residential telephone numbers in the State except during Monday through Friday between 8 a.m. and 6 p.m. Further, merchants may not complete more than 1 telephone solicitation to a residential telephone during each 10 hour period on a single day.

Fiscal Summary

State Effect: None. Assuming that the Consumer Protection Division will receive fewer than 50 complaints per year stemming from this bill, existing resources should be adequate to handle any additional workload.

Local Effect: None.

Small Business Effect: Meaningful impact on small businesses as discussed below.

Fiscal Analysis

Small Business Effect: The number of Maryland businesses that make telephone solicitations to residencies in the State is unknown but likely includes many small businesses. Restricting the time period during which telephone solicitations can be made would likely lead to a reduction in the amount of goods and services that are sold by these businesses. Assuming that telephone solicitations comprise a sizeable share of a particular business, profits realized by small businesses may decline significantly. Small businesses that provide telemarketing services to other businesses would also experience a loss of revenue. Further, such restrictions may also lead to a reduction in the number of individuals employed directly by telephone solicitors and by the producers of the goods and services. The total impact on

small businesses is not known; however, it could be meaningful.

Information Source: Department of Legislative Services

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