# **Department of Legislative Services**

Maryland General Assembly 2007 Session

### FISCAL AND POLICY NOTE

Senate Bill 598

(Senator Kittleman, et al.)

Finance

## **Consumer Protection - Political Telephone Calls - Prohibition**

This bill prohibits, under the Maryland Telephone Consumer Protection Act, a person from placing or causing to have placed an automated telephone call to a Maryland residential telephone number that is in the national Do-Not-Call Registry relating to a political issue or with the purpose of: (1) promoting a political candidate; or (2) advertising, campaigning, or soliciting donations for or against a political candidate. Each call is a separate violation of the Telephone Consumer Protection Act.

## **Fiscal Summary**

**State Effect:** Assuming that the Consumer Protection Division receives fewer than 50 complaints per year stemming from this bill, any additional workload could be handled with existing resources.

Local Effect: None.

**Small Business Effect:** Potential minimal.

### **Analysis**

**Current Law:** Violation of Maryland Telephone Consumer Protection Act is an unfair or deceptive trade practice under the Maryland Consumer Protection Act. An individual injured by a violation of the Telephone Consumer Protection Act may also bring an action against a violator to recover reasonable attorney's fees and the greater of: (1) \$500 for each violation; or (2) actual damages.

The Consumer Protection Division within the Office of the Attorney General is responsible for pursuing unfair and deceptive trade practice claims under the Consumer Protection Act. Upon receiving a complaint, the division must determine whether there are "reasonable grounds" to believe that a violation of the Act has occurred. Generally, if the division does find reasonable grounds that a violation has occurred, the division must seek to conciliate the complaint. The division may also issue cease and desist orders, or seek action in court, including an injunction or civil damages, to enforce the Act. Violators of the Act are subject to: (1) civil penalties of \$1,000 for the first violation and \$5,000 for subsequent violations; and (2) criminal sanction as a misdemeanor, with a fine of up to \$1,000 and/or up to one year's imprisonment.

Under regulations issued jointly by the Federal Trade Commission (FTC) and the Federal Communications Commission (FCC), individuals may enter their names into the National Do-Not-Call Registry. With limited exceptions, telemarketers are prohibited from calling telephone numbers that are entered in the registry. Once a number is entered into the registry, telemarketers must stop calling the number within three months from the date of entry. Violators are subject to a fine of up to \$11,000 for each violating call. FCC, FTC, and state Attorneys General may sue in federal court to enforce the federal registry. A state must pass a law adopting the federal registry in order for its state Attorney General to enforce the registry in state courts.

#### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Office of the Attorney General (Consumer Protection Division),

Department of Legislative Services

First Reader - February 22, 2007 **Fiscal Note History:** 

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Analysis by: T. Ryan Wilson Direct Inquiries to:

(410) 946-5510

(301) 970-5510