

98-111 RELATIVE TO HOME SOLICITATION  
ATCP 12  
SELLING

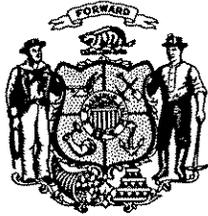
WISCONSIN LEGISLATIVE COUNCIL STAFF

LCRC  
FORM 2

***RULES CLEARINGHOUSE***

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**CLEARINGHOUSE REPORT TO AGENCY**

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[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

**CLEARINGHOUSE RULE 98-117**

AN ORDER to repeal and recreate chapter ATCP 12, relating to home solicitation selling.

Submitted by **DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION**

08-18-98 RECEIVED BY LEGISLATIVE COUNCIL.

09-15-98 REPORT SENT TO AGENCY.

RS:RJC;jal;rv

**LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT**

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached      YES       NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached      YES       NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached      YES       NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS  
[s. 227.15 (2) (e)]

Comment Attached      YES       NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached      YES       NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL  
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached      YES       NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached      YES       NO

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## CLEARINGHOUSE RULE 98-117

### Comments

**[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated September 1998.]**

#### 2. Form, Style and Placement in Administrative Code

Section ATCP 127.19 (2) refers to "the department." That term should be defined in s. ATCP 127.01.

#### 5. Clarity, Grammar, Punctuation and Use of Plain Language

a. The term "home solicitation," as defined in s. ATCP 127.01 (14), implies that such a solicitation occurs at a consumer's home. However, it is not clear from the definition that solicitation at an individual's home is a required element of a "home solicitation." Can a "home solicitation" occur at an individual's place of employment? The definition should be clarified.

b. In s. ATCP 127.01 (27), the definition of the term "seller" is modeled on the language contained in s. 93.01 (1m), Stats. The statutory definition of the term "business" excludes financial institutions such as banks, savings banks and savings and loan associations, while the rule definition of the term "seller" excludes financial institutions such as a bank and a savings and loan association. It appears that the rule definition should exclude a savings bank. Also, should the rule definition exclude a credit union?

c. In s. ATCP 127.02 (2) (a) 1. and 2., is there any difference between the terms "face-to-face communication" and "face-to-face solicitation"? If there is no difference, the same term should be used. If there is a difference, the difference should be explained.

d. In s. ATCP 17.06 (1) (b), the notation "chs." should be replaced by the notation "ch." because of the use of the disjunctive word "or."

**PROPOSED ORDER OF THE STATE OF WISCONSIN  
DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION**

1 The state of Wisconsin department of agriculture, trade and consumer protection proposes the  
2 following rulemaking order to repeal and recreate chapter ATCP 127 relating to home  
3 solicitation selling.

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**Analysis by the Department of  
Agriculture, Trade and Consumer Protection**

Statutory authority: s. 100.20(2), Stats.

Statutes interpreted: s. 100.20, Stats.

This rule protects Wisconsin consumers against unfair and deceptive home solicitation selling practices. Home solicitation selling includes telemarketing, direct mail and door-to-door selling.

This rule updates and strengthens the department's current home solicitation selling rules under ch. ATCP 127, Wis. Adm. Code, to address new telemarketing and home solicitation selling practices. This rule also expands current rules to address new selling methods, such as electronic mail.

This rule is based, in part, on Federal Trade Commission telemarketing rules under 16 CFR 310, which took effect on December 31, 1995. However, this rule also protects consumers in other transactions, including direct mail and door-to-door transactions. It also goes beyond FTC telemarketing rules to cover intrastate transactions and new electronic sales methods such as e-mail.

This rule is consistent with federal rules, but incorporates other state law requirements related to home solicitation selling. By adopting this rule under Wisconsin's "Little FTC Act," s. 100.20, Stats., the department will provide more effective redress to Wisconsin consumers. Violations of this rule may be prosecuted under state law in Wisconsin courts. Consumers who suffer a monetary loss because of a violation of this rule may also sue the violator directly, and may recover double damages, costs and reasonable attorney fees.

- Pay-per-call services sold in compliance with s. 196.208, Stats.
- Charity raffles, unless the raffle is part of a seller's plan or scheme to sell consumer goods or services.

### Opening Disclosures

Under this rule, a seller making a "home solicitation" must clearly disclose all of the following as part of that solicitation:

- The seller's correct name. If a seller (e.g., a contract telemarketing firm) makes a home solicitation for another seller, it must also disclose the name of the other seller.
- The name of the individual making the home solicitation, if the solicitation is a telephone or transient solicitation. For example, if Mary Smith makes telephone or transient solicitations for the ABC firm, she must disclose her name to the consumer. Smith may disclose a fictitious name which uniquely identifies her if the ABC firm keeps a record of that uniquely identifying fictitious name.
- That the seller is offering or promoting the sale of consumer goods or services.
- The kind of goods or services which the seller is offering or promoting.

A seller must make these opening disclosures in the following ways:

- Orally, if the home solicitation involves an oral or face-to-face communication. The seller must make the oral disclosures before asking any questions or making any statements to the consumer (other than an initial greeting).
- In writing, if the home solicitation involves a written or face-to-face solicitation.

### Disclosures Prior to Sale

In a home solicitation transaction, a seller must disclose all of the following before the consumer agrees to buy or receive any consumer goods or services, and before the seller accepts any payment from the consumer:

- The nature and quantity of the consumer goods or services.
- The cost of the consumer goods or services, including material delivery and handling costs. If the cost may vary, the seller must disclose the maximum cost or the formula by which the total cost will be computed.
- All material terms and conditions affecting the sale, receipt or use of the consumer goods or services, including credit terms if any. (Cost disclosures in consumer credit

- The odds of winning a prize.
- The nature or value of a prize.
- The nature or existence of any conditions which a consumer must meet in order to obtain a prize or participate in a prize promotion.

### Unauthorized Payment

Under this rule, no home solicitation seller may obtain or submit for payment any check, draft or other negotiable instrument drawn on a consumer's account without that consumer's express, verifiable authorization. The following authorizations are considered verifiable:

- An express written authorization. Express written authorization may include the consumer's signature on the check, draft or negotiable instrument.
- An express oral authorization if all of the following apply:
  - \* The oral authorization is tape recorded and made available upon request to the consumer's bank.
  - \* The oral authorization clearly authorizes payment for the goods and services offered to the consumer.
  - \* The oral authorization clearly indicates that the consumer received information specifying all of the following:
    - The date and amount of the check, draft or instrument.
    - The payor's name.
    - The number of payments, if more than one.
    - A telephone number for consumer inquiries that is answered during normal business hours.
    - The date of the consumer's oral authorization.
- An authorization which the seller confirms in writing, provided that all of the following apply:
  - \* The seller sends the written confirmation to the consumer before the seller submits the check, draft or other negotiable instrument for payment.
  - \* The written confirmation includes all of the following information:
    - The date and amount of the check, draft or instrument.
    - The payor's name.
    - The number of payments, if more than one.

- Misrepresenting that a seller is offering consumer goods or services free of charge or at a reduced price.
- Misrepresenting that a seller is affiliated with, or endorsed by, any government or 3rd-party organization.
- Misrepresenting that a seller has specially selected the consumer, or misrepresenting the basis on which a consumer has been selected.
- Misrepresenting any material aspect of an investment opportunity, including risk, liquidity, earnings potential or profitability.
- Failing to disclose, in connection with every purported offer of free goods or services in a home solicitation transaction, any costs which the consumer must incur and any conditions which the consumer must meet in order to receive those free goods or services.
- Making any other false, deceptive or misleading representation to a consumer.

Prohibited Practices: General

This rule prohibits a seller from doing any of the following in a home solicitation transaction:

- Threatening, intimidating or harassing a consumer.
- Failing to leave a consumer's premises upon request.
- Requesting or receiving payment for "credit repair" services until the seller provides the consumer with all of the following:
  - \* All of the "credit repair services" for which the seller is requesting or receiving payment.
  - \* A consumer report, from a bona fide consumer reporting agency, which demonstrates that the "credit repair services" have achieved all of the results promised to the consumer.
- Requesting or receiving payment for helping a consumer recover money lost in a prior home solicitation transaction until at least 7 days after that consumer recovers that money. (This provision addresses so-called "recovery room" schemes, which prey on previously victimized consumers.)
- Requesting or receiving payment for "loan finder" services until the consumer actually receives the promised loan.

### Prohibited Telephone Solicitation Practices

This rule prohibits a home solicitation seller from doing any of the following:

- Repeatedly or continuously causing a consumer's telephone to ring, or repeatedly or continuously engaging any consumer in telephone conversation, with intent to annoy, abuse or harass a consumer.
- Initiating a telephone solicitation to a consumer who has previously stated that he or she does not wish to receive telephone solicitations from the seller for whom the solicitation is being made.
- Initiating a telephone solicitation to a consumer before 8:00 AM or after 9:00 PM without the prior consent of the consumer.

### Recordkeeping

This rule requires a home solicitation seller to keep copies of the following records for at least 2 years:

- All home solicitation scripts and documents.
- All documents and records evidencing home solicitation transactions.
- The following records related to prizes which the seller offers or awards to consumers:
  - \* A specific description of each prize.
  - \* The name and last known address of every consumer who received each prize.
- The name and last known address of every consumer who purchased goods or services in a home solicitation transaction, the date on which the consumer purchased those goods or services, the date on which the seller provided those goods or services to the consumer, and the amount which the consumer paid for those goods or services.
- The following information related to every individual who has made transient or telephone solicitations as the seller's employee or agent:
  - \* The individual's name, last known address and telephone number.
  - \* Every fictitious name which the individual has used when engaged in transient

1 (b) Written or graphic descriptions of goods or services which the seller offers for  
2 sale.

3 (c) The prices at which the goods or services under par. (b) are offered for sale.

4 (3) "Consideration" has the meaning given in s. 945.01(5)(b), Stats.

5 NOTE: "Consideration," as defined in s. 945.01(5)(b), Stats., includes anything of  
6 commercial or financial advantage to the promoter, or disadvantage to the  
7 participant. However, "consideration" does not include any of the following:

- 8 ● Watching television or listening to a radio program.
- 9 ● Filling out an entry blank received in the mail or published in a  
10 newspaper or magazine, where no purchase is required.
- 11 ● Furnishing proof of purchase consisting of a product container or a  
12 portion of a product container.
- 13 ● Mailing an entry blank and proof of purchase to a designated address.
- 14 ● Filling out and depositing an entry blank at a trade show which is not a  
15 retail sales establishment, and which is accessible without paying an  
16 admittance fee.
- 17 ● Visiting a commercial establishment or other place without being  
18 required to make a purchase or pay an admittance fee.
- 19 ● Participating in an "in-pack chance promotion" authorized under s.  
20 100.16(2), Stats.
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29 (4) "Consumer" means an individual to whom a seller advertises, offers to sell, sells  
30 or promotes the sale of consumer goods or services. "Consumer" does not include an  
31 individual who purchases consumer goods or services in a business capacity, or for resale to  
32 others.

33 (5) "Consumer goods or services" means goods or services typically used for  
34 personal, family or household purposes. "Consumer goods or services" includes personal  
35 investment opportunities, personal business opportunities and personal training but does not

1 electronically to a consumer's residence or to a consumer who is individually identified in the  
2 solicitation. "Electronic solicitation" includes telephone, telefax and electronic mail  
3 solicitations.

4 (14) "Home solicitation" means any of the following: )

5 (a) A telephone or other electronic solicitation. }

6 (b) A mail solicitation.

7 (c) A door-to-door or other transient solicitation.

8 (15) "Home solicitation transaction" means a sale or other transaction that includes or  
9 results from a home solicitation.

10 (16) "Individual" means a natural person.

11 (17) "Investment opportunity" means anything, tangible or intangible, that is offered,  
12 sold or traded based wholly or in part on representations, either express or implied, about  
13 past, present or future income, profit or appreciation. "Investment opportunity" does not  
14 include a security sold in compliance with ch. 551, Stats., or a franchise investment sold in  
15 compliance with ch. 553, Stats.

16 (18) "Mail solicitation" means a written or graphic solicitation which a seller delivers  
17 in hard copy form, by mail or other means, to a consumer's residence or to a consumer who  
18 is individually identified in the solicitation. "Mail solicitation" does not include an electronic  
19 solicitation, catalog distribution or transient solicitation.

20 (19) "Mass advertisement" means a solicitation which a seller publishes or makes  
21 accessible to an unrestricted mass audience. "Mass advertisement" includes a solicitation  
22 published in a newspaper, magazine, radio broadcast, television broadcast or internet home  
23 page. "Mass advertisement" does not include a solicitation which a seller addresses to an

1 promoting the sale of consumer goods or services to consumers. "Seller" includes all of the  
2 following:

3 (a) A person who accepts payment for a purported sale of consumer goods or  
4 services to a consumer.

5 (b) An employee or agent of a seller.

6 (c) A person who makes home solicitations under arrangement with a seller.

7 NOTE: For example, a telemarketing firm that makes telephone solicitations on  
8 behalf of a "seller" is also a "seller" for purposes of this chapter. Individual  
9 employees of the telemarketing firm are also "sellers," for purposes of this  
10 chapter, when making telephone solicitations to consumers.

11  
12 (28) "Solicitation" means a communication from a seller to a consumer in which the  
13 seller offers or promotes the sale of consumer goods or services to a consumer, or which is  
14 part of a plan or scheme to sell consumer goods or services to the consumer. "Solicitation"  
15 includes the offer of a prize, prize promotion or gift which is part of a plan or scheme to sell  
16 consumer goods or services to a consumer. "Solicitation" does not include any of the  
17 following:

18 (a) A mass advertisement.

19 (b) A communication received by a consumer at the seller's regular place of  
20 business.

21 (c) A communication, initiated by a consumer, which is not prompted by the seller's  
22 prior home solicitation to the consumer.

23 (29) "Telephone solicitation" means a solicitation conveyed by telephone or other  
24 interactive voice communications.

25 (30) "Transient solicitation" means a face-to-face solicitation that a seller makes to a

1 (c) That the seller is offering or promoting the sale of consumer goods or services.

2 (d) The kind of goods or services which the seller is offering or promoting.

3 (2) FORM OF DISCLOSURE. (a) A seller shall make the disclosures under sub.

4 (1) in all of the following ways:

5 1. Orally, if the home solicitation involves an oral or face-to-face communication.

6 2. In writing, if the home solicitation involves a written or face-to-face solicitation.

7 (b) An individual making an oral disclosure under par. (a) shall make the disclosures  
8 before the individual asks any questions or makes any statements to a consumer, other than  
9 an initial greeting.

10 (3) FICTITIOUS NAMES. A seller may not use any fictitious name under sub.

11 (1)(a) or (b), except that:

12 (a) A seller may use the seller's trade name under sub. (1)(a) if all of the following  
13 apply:

14 1. The seller is widely known by and consistently does business under that name.

15 2. The name does not have the tendency or capacity to confuse or mislead the  
16 consumer as to the seller's true identity.

17 (b) An individual making a telephone or transient solicitation as an employee or  
18 agent of another seller may disclose a fictitious individual name under sub. (1)(b) if all of the  
19 following apply:

20 1. No other individual making solicitations for the same seller uses the same  
21 fictitious name.

22 2. The seller for whom the individual is making the solicitation keeps records under  
23 s. ATCP 127.18(1)(e) which correlate the fictitious name with the actual name and address

1 seller accepts any payment from the consumer.

2 ATCP 127.06 PRIZE PROMOTIONS. (1) SELLER MAY NOT REQUIRE  
3 CONSIDERATION. (a) In a home solicitation transaction, no seller may require a  
4 consumer to make any purchase or payment, or give any other consideration, in order to  
5 receive a prize or participate in a prize promotion.

6 NOTE: See also s. 945.02(3), Stats.

7 (b) Paragraph (a) does not prohibit activities authorized under ~~chs.~~ 562, 563 or 565,  
8 Stats. X

9 (2) WRITTEN DISCLOSURES REQUIRED. In a home solicitation transaction, no  
10 seller may offer a consumer a prize or the opportunity to participate in a prize promotion  
11 unless the seller discloses all of the following in writing before the consumer agrees to buy  
12 or receive any consumer goods or services, and before the seller accepts any payment or  
13 consideration from the consumer:

14 (a) The verifiable retail value of each offered prize.

15 (b) The odds of receiving each offered prize or, if the odds cannot be calculated in  
16 advance, the factors used in calculating the odds.

17 (c) That the consumer is not required to make any purchase or payment, or give any  
18 other consideration, in order to receive a prize or participate in the prize promotion.

19 (d) Instructions on how the consumer may receive a prize or participate in the prize  
20 promotion without making a purchase or payment, or giving any consideration.

21 (e) All actions which the consumer must take, and all conditions which the consumer  
22 must meet, in order to receive or be eligible for a prize.

23 (f) The approximate length of any sales presentation which the consumer is invited to

1 specifying all of the following:

2 1. The date and amount of the check, draft or instrument.

3 2. The payor's name.

4 3. The number of payments, if more than one.

5 4. A telephone number for consumer inquiries that is answered during normal  
6 business hours.

7 5. The date of the consumer's oral authorization.

8 (3) An authorization which the seller confirms in writing, provided that all of the  
9 following apply:

10 (a) The seller sends the written confirmation to the consumer before the seller  
11 submits the check, draft or other negotiable instrument for payment.

12 (b) The written confirmation includes all of the following information:

13 1. The date and amount of the check, draft or instrument.

14 2. The payor's name.

15 3. The number of payments, if more than one.

16 4. A telephone number for consumer inquiries that is answered during normal  
17 business hours.

18 5. The date of the consumer's authorization.

19 6. A procedure by which the consumer can obtain a refund from the seller if the  
20 written confirmation is inaccurate.

21 **ATCP 127.10 CREDIT CARD LAUNDERING.** (1) No merchant may present to  
22 or deposit into a credit card system for payment, or cause another person to present to or  
23 deposit into a credit card system for payment, any credit card sales draft generated by a

1 (9) Misrepresent that a seller is affiliated with, or endorsed by, any government or  
2 3rd-party organization.

3 (10) Misrepresent that a seller has specially selected the consumer, or misrepresent  
4 the basis on which a seller has selected the consumer.

5 (11) Misrepresent any material aspect of a personal investment opportunity offered to  
6 the consumer, including any aspect such as risk, liquidity, earnings potential or profitability.

7 (12) Fail to disclose, in connection with every purported offer of free goods or  
8 services in a home solicitation transaction, any costs which the consumer must incur and any  
9 conditions which the consumer must meet in order to receive those free goods or services.

10 (13) Make any other false, deceptive or misleading representation to a consumer.

11 **ATCP 127.14 PROHIBITED PRACTICES; GENERAL.** No seller may do any of  
12 the following in a home solicitation transaction:

13 (1) Threaten, intimidate or harass a consumer.

14 (2) Fail to leave a consumer's premises upon request.

15 (3) Request or receive payment for credit repair services until the seller provides the  
16 consumer with all of the following:

17 (a) All of the credit repair services for which the seller is requesting or receiving  
18 payment.

19 (b) A consumer report, issued by a bona fide consumer reporting agency according  
20 to the fair credit reporting act, 15 USC 1681, which demonstrates that the credit repair  
21 services under par. (a) have achieved all of the results promised to the consumer. The  
22 consumer report under this paragraph shall be issued not less than 6 months after the results  
23 are achieved.

1           **ATCP 127.16 PROHIBITED TELEPHONE SOLICITATION PRACTICES.** No

2 seller making telephone solicitations may do any of the following:

3           (1) Repeatedly or continuously cause a consumer's telephone to ring, or repeatedly  
4 or continuously engage a consumer in telephone conversation, if the seller knows or  
5 reasonably should know that those actions will have the effect of annoying, abusing or  
6 harassing the consumer.

7           (2) Initiate a telephone solicitation to a consumer before 8:00 AM or after 9:00 PM  
8 without the prior consent of the consumer. Time, for purposes of this section, is the local  
9 time at the place where the consumer resides.

10          (3) Initiate a telephone solicitation to a consumer who has previously stated that he or  
11 she does not wish to receive telephone solicitations from the seller for whom the solicitation  
12 is being made. A seller does not violate this subsection if all of the following apply:

13           (a) The seller has established and implemented clear written procedures that are  
14 reasonably designed to prevent violations.

15           (b) The seller has trained its personnel in the procedures under par. (a).

16           (c) The seller maintains a recorded list of persons who have stated that they do not  
17 wish to be called by the seller for whom solicitations are being made.

18           (d) The repeat call is the result of a good faith error, and is not the result of an  
19 intentional or systematic disregard of the prohibition under this subsection.

20           **ATCP 127.18 RECORDKEEPING.** (1) RECORDS REQUIRED. A seller

21 engaged in home solicitation transactions shall keep all of the following records related to  
22 those transactions:

1 seller to engage in any activity or practice in violation of this chapter.

2 **EFFECTIVE DATE.** The rules contained in this rulemaking order shall take effect  
3 on the first day of the month following publication in the Wisconsin administrative register,  
4 as provided under s. 227.22(2)(intro.), Stats.

5

6 Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

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STATE OF WISCONSIN  
DEPARTMENT OF AGRICULTURE,  
TRADE AND CONSUMER PROTECTION

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By \_\_\_\_\_  
Ben Brancel, Secretary

## Initial Regulatory Flexibility Analysis

Proposed ch. ATCP 127, Wis. Adm. Code

### Home Solicitation Selling

This rule regulates businesses that solicit and sell consumer goods by mail, telephone, or other means away from a regular place of business. The rule provides methods whereby buyers can be informed of the conditions of their agreements in a manner that is meaningful and available to the consumer after the transaction is done and the seller is no longer at the same location.

These requirements should have little if any impact on small business. It is general business practice to inform potential customers who you are and the product you are selling and to produce invoices following the sale. It is also general practice to retain business records for a period of time for tax and other purposes. The practices regulated by the prize promotion, unauthorized payment, telephone solicitation, and credit card laundering sections have been identified at federal rules hearings as practices which have lead to abuse of consumers and are already in effect for any business that solicits on an interstate scale. Businesses recordkeeping requirements are necessary for meaningful enforcement of the rules and should be already the norm for most businesses.

#### Scope

This rule is based, in part, on Federal Trade Commission telemarketing rules yet also protects consumers in intrastate transactions, direct mail, door-to-door, and electronic sales.

This rule does not apply to sales at a regular place of business, catalog sales, mass advertising, business to business sales, financial institutions, utilities, and real estate sales.

#### Opening Disclosures

This rule requires initial disclosures such as the seller's correct name, the name of the individual making the solicitation, the fact that the seller is offering or promoting a sale of goods or services, and the kind of goods or services the seller is offering or promoting.

These disclosures must be made orally, if the home solicitation involves an oral or face-to-face communication and in writing, if the home solicitation involves a written or face-to-face solicitation.

These requirements should have no significant impact on small business. Most sellers prefer to leave written information about their company and products with the consumer already.

### Misrepresentations

This rule prohibits misrepresentations including:

- The seller's identity, affiliation, location or characteristics or the nature, purpose or intended length of a home solicitation.
- The cost, nature or terms including restrictions, limitations or conditions on the purchase, receipt, use or return of goods or services or any document related to that transaction. Failing to disclose is also prohibited.
- The nature, quantity, or material characteristics of the goods or services.
- That a seller is affiliated with, or endorsed by, any government or 3rd-party organization or has specially selected the consumer.
- Any material aspect of an investment opportunity, including risk, liquidity, earnings potential or profitability.

### Prohibited Practices; General

This rule prohibits a seller from doing any of the following in a home solicitation transaction:

- Threatening, intimidating, harassing, or failing to leave a consumer's premises upon request.
- Requesting or receiving payment for "credit repair" services until the consumer receives the "credit repair services" verified by a consumer report, from a consumer reporting agency, demonstrating all of the results promised to the consumer.
- Requesting or receiving payment for helping a consumer recover money lost in a prior home solicitation transaction until at least 7 days after that consumer recovers that money.
- Requesting or receiving payment for "loan finder" services until the consumer actually receives the promised loan.

### Prohibited Telephone Solicitation Practices

This rule prohibits a home solicitation seller from doing any of the following:

- Initiating a telephone solicitation to a consumer who has previously stated that he or she does not wish to receive telephone solicitations from the seller.