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FEDERAL TRADE COMMISSION

Congress of the United States
House of Representatives
Washington, DC 20515-2303

April 24, 2002

The Honorable Timothy Muris
Chairman
Federal Trade Commission
600 Pennsylvania Avenue Northwest
Washington, D.C. 20580

Dear Chairman Muris:

I have been contacted by constituents concerned about the Federal Trade Commission's (FTC) proposed telemarketing rule.

As you know, Sen. McConnell (R-KY) authored the "Crimes Against Charitable Americans" bill to protect Americans from fundraising activities by fraudulent organizations. He said his legislation "authorizes law enforcement and regulatory agencies to specifically target fraudulent charitable solicitations."

When Congress passed the U.S.A. Patriot Act last fall in the wake of the terrorist attacks of September 11, it included Sen. McConnell's provision to respond to fraudulent activities committed by "fake charities" by amending the Telemarketing Act to include charities. The intent of Congress was to prevent fraudulent charitable organizations from "exploiting well-intentioned Americans."

Concerns have been raised that the proposed FTC regulation goes beyond limiting the actions of fraudulent charitable organizations and would hamper the ability of local firefighters, police officers and veterans to raise funds to support their community service efforts.

There are thousands of charities and non-profit fraternal organizations that do not have the financial resources to sustain in-house fundraising efforts. Historically, between sixty and seventy percent of all charitable organizations rely on the expertise of professional telemarketers for fundraising to ensure cost savings and professionalism. The expense of purchasing and maintaining equipment, hiring and training staff and recruiting volunteers is highly burdensome for many legitimate charities and non-profits.

In order to achieve their fundraising objectives, many legitimate non-profit and charitable organizations enter into agreements with for-profit telemarketing firms to conduct fundraising calls on their behalf. The funds raised through telemarketing supports a majority of the non-profits' activities.

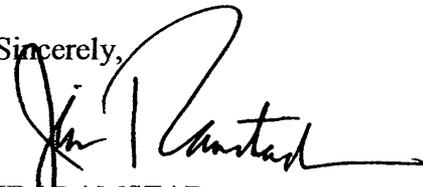
The “do not call” registry will reduce the number of potential donors that may be solicited on behalf of these non-profit organizations by up to fifty percent. The FTC rule will also prevent calls on behalf of non-profits to prior and longstanding supporters whose names appear on the “do not call” registry.

Telemarketing is essential for the continued viability of non-profit organizations. As government reduces its financial support of legitimate charities and non-profits, it is imperative that these organizations have the tools at their disposal to communicate their message and raise the funds necessary to provide important services to the community. Government should seek to assist and encourage the efforts of legitimate non-profits to raise funds from the private sector, not hinder them. Furthermore, a telemarketing appeal on behalf of legitimate charitable organizations is **an** effective **tool** to not only raise funds **but also** build **grass** roots support for important public policy issues, as demonstrated by the success of organizations like Mothers Against Drunk Driving. Through the medium of telemarketing, this organization dramatically changed society’s perspective on *drunk* driving.

Therefore, I respectfully request your review of the potentially damaging effects of this proposed rule on the legitimate non-profit community.

Thank you very much for your attention to this matter. Please feel free to contact me with any questions or comments you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Ramstad". The signature is fluid and cursive, with a large initial "J" and "R".

JIM RAMSTAD
Member of Congress

JR:ap