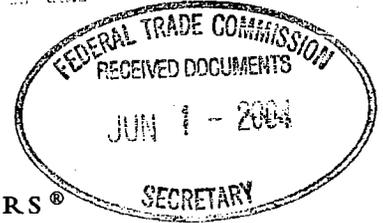




ORIGINAL



CALIFORNIA ASSOCIATION OF REALTORS®

May 28, 2004

Federal Trade Commission  
Office of the Secretary  
Room H-159 (Annex K)  
600 Pennsylvania Avenue, NW.  
Washington, DC 20580

2004 OFFICERS

ANN PETTIJOHN  
President

JIM HAMILTON  
President-Elect

COLLEEN BADAGLIACCO  
Treasurer

JOEL SINGER  
Executive Vice President/  
State Secretary

Re: TSR Fee Rule, Project No. P034305

Dear Mr. Secretary:

On behalf of the 140,000 members of the California Association of REALTORS® (C.A.R.), I respectfully oppose the proposed fee increases for the Do-Not-Call registry. Raising the fee for requests above five area codes would be detrimental to the financial well being of small businesses within highly populated metropolitan areas throughout the nation.

The Federal Communications Commission (FCC) in its Report and Order, released July 3, 2003, stated the registry should take "into consideration the costs of those conducting telemarketing on a *local or regional basis including many small businesses.*" (emphasis added) However, by increasing the database access fee from \$25 to \$45, an 80% increase in cost, the FTC will cause a significant burden to small businesses in highly populated areas. California (Los Angeles and San Francisco Bay), New York, New Jersey, Pennsylvania, and Washington D.C. (Maryland-Virginia) are highly populated with more than five area codes within a one hundred mile radius of one another. By increasing the access fee, many small businesses would not longer afford to be able to gain access to the registry for their local and regional area.

This fee increase will have a negative impact on a majority of California small businesses, including REALTORS®. In California, 85% of REALTORS® work within offices of five or fewer agents. Roughly 66% of California's REALTORS® work within the Los Angeles and San Francisco Bay areas. An

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80% increase to the cost of telemarketing would force many businesses to forego a significant source of potential business due to the burdensome expense of the registry.

C.A.R. members are small business entrepreneurs looking to establish a base cliental through the free speech afforded them in a market society. They are also consumers and respectful of individuals' rights of privacy, but the burden of bearing that cost should be squarely placed on the consumer through a market driven mechanism.

In the continuing debate over free speech vs. privacy C.A.R. acknowledges the need for a balance between both rights. In this instance, the American free-market has already created viable solutions. Recent technological advancements in communications companies has created call blocker, caller ID, and telemarketer screening. The market system had created an affordable solution to a consumer demand. The creation of the registry goes against the U.S. market system by having a government created entity stifling free speech in the market. By having the government order those whose speech is being stifled to pay for the registry, they are penalizing struggling entrepreneurs. This for an issue whose solution already lay in the hands of those who were complaining.

Thus, we urge the FTC to re-examine its policy of charging fees for the Do-Not-Call registry. In addition, we request that special care be taken to avoid making changes that would detrimentally affect small businesses.

I thank you for your willingness to consider the comments of the Association. If you have any questions, please contact Janet M. Gagnon-Stovall, C.A.R.'s Director of Public Policy by phone 213-739-8272, fax 213-739-7272, or email [janetg@car.org](mailto:janetg@car.org).

Sincerely,



Ann Pettijohn  
President, California Association of REALTORS®

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