

**MEMO# 6117**

August 15, 1994

## **TELEMARKETING BILL HEADS FOR PRESIDENT'S DESK**

August 15, 1994 TO: BOARD OF GOVERNORS NO. 76-94 FEDERAL LEGISLATION COMMITTEE  
NO. 21-94 FEDERAL LEGISLATION MEMBERS NO. 18-94 SEC RULES COMMITTEE NO. 89-94  
RE: TELEMARKETING BILL HEADS FOR PRESIDENT'S DESK

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Last week, the House and Senate approved H.R. 868, the "Telemarketing and Consumer Fraud Prevention Act", a bill to require the Federal Trade Commission to enact rules to prohibit telemarketing scams. The bill also requires the SEC to promulgate rules "substantially similar" to those adopted by the FTC, unless the SEC determines that: 1) current securities laws or rules provide similar protections from deceptive or abusive telemarketing practices; or 2) that rules adopted by the FTC would not be necessary or appropriate for the protection of investors; or 3) would be inconsistent with the maintenance of fair and orderly markets. Any action taken by the SEC would have to occur within six months of the effective date of rules promulgated by the FTC. The legislation is now pending before the President for signature. A copy of the final language is attached for your review. If you wish additional information, please contact the Legislative Affairs Department at 202/326-5890. We will keep you informed of further developments. This memo can also be found on FUNDS, the Institute's Fund User Network and Delivery System, under "Legislative Affairs; Washington, Update." Julie Domenick  
Senior Vice President Legislative Affairs Attachment

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