

PETE V. DOMENICI  
NEW MEXICO

522418-70174

United States Senate  
WASHINGTON, DC 20510-3101

COMMITTEES:  
ENERGY AND NATURAL RESOURCES  
APPROPRIATIONS  
BUDGET  
HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS  
INDIAN AFFAIRS

June 22, 2006



06 JUL -7 PM 3:15  
FEDERAL TRADE COMMISSION

Anna H. Davis  
Director,  
Office of Congressional Relations  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, D.C. 20580

Dear Ms. Davis:

Because of my desire to be responsive to all inquiries directed to me, and knowing that you share this desire, the attached letter is referred to you for consideration.

I would very much appreciate your evaluating the information presented and taking whatever action is required to resolve the situation. Consistent with all federal laws and regulations, I appreciate your consideration of this request.

At your earliest convenience, I would be grateful if you could respond directly to Stephen L. Early at his New Mexico address. In addition, please forward a copy of your response to my Washington office to the attention of Sid Iyer.

Thank you for your assistance.

Sincerely,

A large black rectangular redaction covering the signature area of the letter.

Pete V. Domenici  
United States Senator

PVD: smi

Enclosure

SM1

[REDACTED]

June 8, 2006

Senator Pete v. Domenici  
328 Hart Senate Office Bldg.  
United States Senate  
Washington, D.C. 20510

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Ref: Proposed New Rule 16 CFR Part 437

Dear Senator Domenici:

I have been advised that the Federal Trade Commission (FTC) is considering a new rule that would have a very **NEGATIVE** impact on my ability to attract new business. This new rule would add a seven day waiting period before someone could agree to become an associate with my business.

I have been with Pre-Paid Legal service for about 4 years. To say this rule would have a negative impact on my income is a huge understatement. Please allow me to review some of the points of this new rule.

*1. The FTC wants to require a seven-day waiting period before new Associates can sign up as a Pre-Paid Legal sales Associate.*

This requirement will cause me many record keeping and administrative problems. I further believe this requirement will have a negative impact on small businessmen and women, whatever their business.

*2. The FTC wants to require me to provide the names and telephone numbers of the 10 nearest prior purchasers of the "Business Opportunity" to all potential Associates.*

I believe this disclosure will violate the privacy rights of other purchasers and certainly can and will create more opportunities for Identity Theft. This requirement will require me to ask for this list from my home office every time I want to sign up a new independent associate. Can you see the administrative burden this will create?

*3. The FTC wants to require me to provide a list of law suits filed against the company going back 10 years.*

This is highly unfair. It does not distinguish between winning and losing lawsuits. It does not distinguish between findings and allegations. People tend to file lawsuits for all sorts of reasons and sometimes for no reason. By requiring this kind of disclosure going back 10 years the FTC allows merit less lawsuits to turn into winning lawsuits.