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United States Senate

WASHINGTON, DC 20510-4904

June 28, 2006

David Thomas
Office of Congressional Relations
Federal Trade Commission
Sixth and Pennsylvania Ave NW, RM 402
Washington, DC 20580

Dear Mr. Thomas,

One of my constituents has contacted me regarding the effect the Federal Trade Commission's proposed Business Opportunity Rule, R511993, may have on the direct mail industry.

I have enclosed a copy of my constituent's letter which outlines these concerns. I would appreciate it if you would forward any information you may have concerning this matter via facsimile ([REDACTED]) to the attention of Chuck Stertz in my Washington office so that I may forward that information to my constituent.

Thank you for your assistance.

Sincerely,

[REDACTED]
Russell D. Feingold
United States Senator

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[REDACTED]

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I am a service connected disabled veteran and an Independent Associate of Pre-Paid Legal Services, Inc. and I live in your state. I am writing about the FTC's proposed "Business Opportunity" rule (16 CFR Part 437). I have been with Pre-Paid Legal one year this month.

I am concerned because I believe this rule will have a negative effect on my home-based business and part-time income. The FTC would require a seven-day waiting period before new Associates can sign up as a Pre-Paid Legal sales Associate. I am not aware of anyone being drug in off the street and being pressured to become a member or an associate. We frown on such tactics and most Direct Selling Groups, including Pre-Paid Legal, will terminate Associates using these methods. ~~(And refund to the best of our ability money's paid by the client to the company.)~~

The FTC also 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. While many companies provide copies of references, it is considered bad form to just randomly hand out names, addresses, phone numbers, and e-mail addresses due to privacy concerns and FACTA.

In this day the overwhelming majority of us research companies with an ease unheard of ten years ago. There is no reason to add additional laws and steps to a process that works well already.

The FTC further wants to require me to provide a list of lawsuits filed against the company going back 10 years. Notice the word is filed against the majority of the time a lawsuit is filed but not pursued because it's determined that the case either has little merit or is an out-right lie. Besides that, all a person has to do is contact the Better Business Bureau to learn this information from a neutral third party source, which those of us interested in legitimate opportunities already do.

While the FTC's proposal might be well-intentioned, I am fully convinced that it will do more to cripple opportunities for those who seek a part time income. I remind you, that those making a decent income also pay decent taxes that help out those going through rough times.

Please contact the FTC and stop this proposed rule.

Thank you for your efforts on our behalf.

Sincerely,