

# Stay **COOL** When **COLD** Calling

We all know that cold calling can be a valuable production tool. Every day, Agents use cold calling to make contacts, build relationships, and add sales to the bottom line. However, as useful as cold calling may be, there are federal and state laws which apply to this practice. It is critical that every Agent be aware of the regulations in effect in his or her territory.

## What Happened:

Since 1998, 32 states have adopted legislation referred to as *Do-Not-Call laws*. Do-Not-Call laws set controls on when and to whom sales calls may be made and assess penalties for infractions. Do-Not-Call legislation began in the early '90s with two federal laws: the Telephone Consumer Protection Act (TCPA) and the Telemarketing Sales Rule (TSR). The thrust of these laws are requirements that companies keep lists of consumers who have requested they not be contacted and the installation of telemarketing curfews from 9 p.m. to 8 a.m. These two laws also gave the Federal Trade Commission (FTC) the authority to enforce these laws, with penalty fines of up to \$11,000. The FTC has also proposed a federal Do-Not-Call list, which would operate in conjunction with existing lists.

## The Up-Side:

They say every rule has its exception, and that is certainly true for Do-Not-Call laws. Certain groups are typically exempted from state laws, generally non-profit organizations, political groups, or companies with an existing relationship with the consumer. However, in a limited number of states, insurance Agents are exempt as well. These states include Alabama, Arkansas, Illinois, Indiana, Texas, and Maine.

## Protect Yourself:

- \**Knowledge Is Power.* Take the time to learn the state and federal laws pertaining to Do-Not-Calls in your area. If you are licensed in more than one state, please be aware that you must follow the rules of the state you are calling.
- \**Follow the Rules.* A violation of Do-Not-Call laws can not only result in steep penalties and fines, but your reputation could be affected as well. In some states, cold call violators may have their names published in press releases.
- \**Train, Train, Train.* All Agents should be trained to immediately add prospective consumers who request not to be called to a "no-call" list. Federal law requires that such requests be recorded immediately. Each request to be added to a no-call list is good for ten years. It is also good practice for Agents to obtain permission from the customer for follow-up calls.