

- (3) develop and administer a program to educate individuals under the age of 16 and their families on the importance of wearing such helmets in order to improve bicycle safety; or
- (4) carry out any combination of the activities described in paragraphs (1), (2), and (3).

The Administrator shall review grant applications for compliance with this section prior to awarding grants.

(Pub. L. 103-267, title II, §203, June 16, 1994, 108 Stat. 727.)

#### § 6003. Report to Congress

Not later than May 1, 1997, the Administrator of the National Highway Traffic Safety Administration shall report to Congress on the effectiveness of the grant program established by section 6001 of this title. The report shall include a list of grant recipients, a summary of the types of programs implemented by the grantees, and any recommendation by the Administrator regarding how the program should be changed in the future.

(Pub. L. 103-267, title II, §204, June 16, 1994, 108 Stat. 727.)

#### § 6004. Standards

##### (a) In general

Bicycle helmets manufactured 9 months or more after June 16, 1994, shall conform to—

- (1) any interim standard described under subsection (b), pending the establishment of a final standard pursuant to subsection (c); and
- (2) the final standard, once it has been established under subsection (c).

##### (b) Interim standards

The interim standards are as follows:

- (1) The American National Standards Institute standard designated as “Z90.4-1984”.
- (2) The Snell Memorial Foundation standard designated as “B-90”.
- (3) The American Society for Testing and Materials (ASTM) standard designated as “F 1447”.
- (4) Any other standard that the Commission determines is appropriate.

##### (c) Final standard

Not later than 60 days after June 16, 1994, the Commission shall begin a proceeding under section 553 of title 5 to—

- (1) review the requirements of the interim standards set forth in subsection (a) and establish a final standard based on such requirements;
- (2) include in the final standard a provision to protect against the risk of helmets coming off the heads of bicycle riders;
- (3) include in the final standard provisions that address the risk of injury to children; and
- (4) include additional provisions as appropriate.

Sections 7, 9, and 30(d)<sup>1</sup> of the Consumer Product Safety Act (15 U.S.C. 2056, 2058, 2079(d)) shall not apply to the proceeding under this subsection and section 11 of such Act (15 U.S.C. 2060)

shall not apply with respect to any standard issued under such proceeding. The final standard shall take effect 1 year from the date it is issued.

#### (d) Failure to meet standards

##### (1) Failure to meet interim standard

Until the final standard takes effect, a bicycle helmet that does not conform to an interim standard as required under subsection (a)(1) shall be considered in violation of a consumer product safety standard promulgated under the Consumer Product Safety Act [15 U.S.C. 2051 et seq.].

##### (2) Status of final standard

The final standard developed under subsection (c) shall be considered a consumer product safety standard promulgated under the Consumer Product Safety Act.

(Pub. L. 103-267, title II, §205, June 16, 1994, 108 Stat. 727.)

#### Editorial Notes

##### REFERENCES IN TEXT

Section 30(d) of the Consumer Product Safety Act, referred to in subsec. (c), was classified to section 2079(d) of this title prior to repeal by Pub. L. 110-314, title II, §237, Aug. 14, 2008, 122 Stat. 3076.

The Consumer Product Safety Act, referred to in subsec. (d), is Pub. L. 92-573, Oct. 27, 1972, 86 Stat. 1207, which is classified generally to chapter 47 (§2051 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2051 of this title and Tables.

#### § 6005. Authorization of appropriations

For the National Highway Traffic Safety Administration to carry out the grant program authorized by this chapter, there are authorized to be appropriated \$2,000,000 for fiscal year 1995, \$3,000,000 for fiscal year 1996, and \$4,000,000 for fiscal year 1997.

(Pub. L. 103-267, title II, §206, June 16, 1994, 108 Stat. 728.)

#### § 6006. “Approved bicycle helmet” defined

In this chapter, the term “approved bicycle helmet” means a bicycle helmet that meets—

- (1) any interim standard described in section 6004(b) of this title, pending establishment of a final standard under section 6004(c) of this title; and
- (2) the final standard, once it is established under section 6004(c) of this title.

(Pub. L. 103-267, title II, §207, June 16, 1994, 108 Stat. 728.)

### CHAPTER 87—TELEMARKETING AND CONSUMER FRAUD AND ABUSE PREVENTION

Sec.	
6101.	Findings.
6102.	Telemarketing rules.
6103.	Actions by States.
6104.	Actions by private persons.
6105.	Administration and applicability of chapter.
6106.	Definitions.
6107.	Enforcement of orders.
6108.	Review.

#### § 6101. Findings

The Congress makes the following findings:

<sup>1</sup> See References in Text note below.

(1) Telemarketing differs from other sales activities in that it can be carried out by sellers across State lines without direct contact with the consumer. Telemarketers also can be very mobile, easily moving from State to State.

(2) Interstate telemarketing fraud has become a problem of such magnitude that the resources of the Federal Trade Commission are not sufficient to ensure adequate consumer protection from such fraud.

(3) Consumers and others are estimated to lose \$40 billion a year in telemarketing fraud.

(4) Consumers are victimized by other forms of telemarketing deception and abuse.

(5) Consequently, Congress should enact legislation that will offer consumers necessary protection from telemarketing deception and abuse.

(Pub. L. 103-297, § 2, Aug. 16, 1994, 108 Stat. 1545.)

#### Statutory Notes and Related Subsidiaries

##### SHORT TITLE OF 2001 AMENDMENT

Pub. L. 107-56, title X, § 1011(a), Oct. 26, 2001, 115 Stat. 396, provided that: "This section [amending sections 6102 and 6106 of this title and sections 917 and 2325 of Title 18, Crimes and Criminal Procedure] may be cited as the 'Crimes Against Charitable Americans Act of 2001'."

##### SHORT TITLE OF 2000 AMENDMENT

Pub. L. 106-534, § 1, Nov. 22, 2000, 114 Stat. 2555, provided that: "This Act [enacting provisions set out as notes under this section and section 3732 of Title 42, The Public Health and Welfare] may be cited as the 'Protecting Seniors From Fraud Act'."

##### SHORT TITLE

Pub. L. 103-297, § 1, Aug. 16, 1994, 108 Stat. 1545, provided that: "This Act [enacting this chapter and section 9b of Title 7, Agriculture, and amending section 52 of this title] may be cited as the 'Telemarketing and Consumer Fraud and Abuse Prevention Act'."

##### CONGRESSIONAL FINDINGS

Pub. L. 106-534, § 2, Nov. 22, 2000, 114 Stat. 2555, provided that: "Congress makes the following findings:

"(1) Older Americans are among the most rapidly growing segments of our society.

"(2) Our Nation's elderly are too frequently the victims of violent crime, property crime, and consumer and telemarketing fraud.

"(3) The elderly are often targeted and retargeted in a range of fraudulent schemes.

"(4) The TRIAD program, originally sponsored by the National Sheriffs' Association, International Association of Chiefs of Police, and the American Association of Retired Persons unites sheriffs, police chiefs, senior volunteers, elder care providers, families, and seniors to reduce the criminal victimization of the elderly.

"(5) Congress should continue to support TRIAD and similar community partnerships that improve the safety and quality of life for millions of senior citizens.

"(6) There are few other community-based efforts that forge partnerships to coordinate criminal justice and social service resources to improve the safety and security of the elderly.

"(7) According to the National Consumers League, telemarketing fraud costs consumers nearly \$40,000,000,000 each year.

"(8) Senior citizens are often the target of telemarketing fraud.

"(9) Fraudulent telemarketers compile the names of consumers who are potentially vulnerable to telemarketing fraud into the so-called 'mooch lists'.

"(10) It is estimated that 56 percent of the names on such 'mooch lists' are individuals age 50 or older.

"(11) The Federal Bureau of Investigation and the Federal Trade Commission have provided resources to assist private-sector organizations to operate outreach programs to warn senior citizens whose names appear on confiscated 'mooch lists'.

"(12) The Administration on Aging was formed, in part, to provide senior citizens with the resources, information, and assistance their special circumstances require.

"(13) The Administration on Aging has a system in place to inform senior citizens of the dangers of telemarketing fraud.

"(14) Senior citizens need to be warned of the dangers of telemarketing fraud before they become victims of such fraud."

##### SENIOR FRAUD PREVENTION PROGRAM

Pub. L. 106-534, § 3, Nov. 22, 2000, 114 Stat. 2556, provided that:

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Attorney General \$1,000,000 for each of the fiscal years 2001 through 2005 for programs for the National Association of TRIAD.

"(b) COMPTROLLER GENERAL.—The Comptroller General of the United States shall submit to Congress a report on the effectiveness of the TRIAD program 180 days prior to the expiration of the authorization under this Act [see Short Title of 2000 Amendment note above], including an analysis of TRIAD programs and activities; identification of impediments to the establishment of TRIADs across the Nation; and recommendations to improve the effectiveness of the TRIAD program."

##### DISSEMINATION OF INFORMATION

Pub. L. 106-534, § 4, Nov. 22, 2000, 114 Stat. 2556, provided that:

"(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Assistant Secretary of Health and Human Services for Aging, shall provide to the Attorney General of each State and publicly disseminate in each State, including dissemination to area agencies on aging, information designed to educate senior citizens and raise awareness about the dangers of fraud, including telemarketing and sweepstakes fraud.

"(b) INFORMATION.—In carrying out subsection (a), the Secretary shall—

"(1) inform senior citizens of the prevalence of telemarketing and sweepstakes fraud targeted against them;

"(2) inform senior citizens how telemarketing and sweepstakes fraud work;

"(3) inform senior citizens how to identify telemarketing and sweepstakes fraud;

"(4) inform senior citizens how to protect themselves against telemarketing and sweepstakes fraud, including an explanation of the dangers of providing bank account, credit card, or other financial or personal information over the telephone to unsolicited callers;

"(5) inform senior citizens how to report suspected attempts at or acts of fraud;

"(6) inform senior citizens of their consumer protection rights under Federal law; and

"(7) provide such other information as the Secretary considers necessary to protect senior citizens against fraudulent telemarketing and sweepstakes promotions.

"(c) MEANS OF DISSEMINATION.—The Secretary shall determine the means to disseminate information under this section. In making such determination, the Secretary shall consider—

"(1) public service announcements;

"(2) a printed manual or pamphlet;

"(3) an Internet website;

"(4) direct mailings; and

“(5) telephone outreach to individuals whose names appear on so-called ‘mooch lists’ confiscated from fraudulent marketers.

“(d) PRIORITY.—In disseminating information under this section, the Secretary shall give priority to areas with high incidents of fraud against senior citizens.”

### § 6102. Telemarketing rules

#### (a) In general

(1) The Commission shall prescribe rules prohibiting deceptive telemarketing acts or practices and other abusive telemarketing acts or practices.

(2) The Commission shall include in such rules respecting deceptive telemarketing acts or practices a definition of deceptive telemarketing acts or practices which shall include fraudulent charitable solicitations, and which may include acts or practices of entities or individuals that assist or facilitate deceptive telemarketing, including credit card laundering.

(3) The Commission shall include in such rules respecting other abusive telemarketing acts or practices—

(A) a requirement that telemarketers may not undertake a pattern of unsolicited telephone calls which the reasonable consumer would consider coercive or abusive of such consumer’s right to privacy,

(B) restrictions on the hours of the day and night when unsolicited telephone calls can be made to consumers,

(C) a requirement that any person engaged in telemarketing for the sale of goods or services shall promptly and clearly disclose to the person receiving the call that the purpose of the call is to sell goods or services and make such other disclosures as the Commission deems appropriate, including the nature and price of the goods and services;<sup>1</sup> and

(D) a requirement that any person engaged in telemarketing for the solicitation of charitable contributions, donations, or gifts of money or any other thing of value, shall promptly and clearly disclose to the person receiving the call that the purpose of the call is to solicit charitable contributions, donations, or gifts, and make such other disclosures as the Commission considers appropriate, including the name and mailing address of the charitable organization on behalf of which the solicitation is made.

In prescribing the rules described in this paragraph, the Commission shall also consider recordkeeping requirements.

#### (b) Rulemaking authority

The Commission shall have authority to prescribe rules under subsection (a), in accordance with section 553 of title 5. In prescribing a rule under this section that relates to the provision of a consumer financial product or service that is subject to the Consumer Financial Protection Act of 2010, including any enumerated consumer law thereunder, the Commission shall consult with the Bureau of Consumer Financial Protection regarding the consistency of a proposed rule with standards, purposes, or objectives administered by the Bureau of Consumer Financial Protection.

<sup>1</sup> So in original. The semicolon probably should be a comma.

#### (c) Violations

Any violation of any rule prescribed under subsection (a)—

(1) shall be treated as a violation of a rule under section 57a of this title regarding unfair or deceptive acts or practices; and

(2) that is committed by a person subject to the Consumer Financial Protection Act of 2010 shall be treated as a violation of a rule under section 1031 of that Act [12 U.S.C. 5531] regarding unfair, deceptive, or abusive acts or practices.

#### (d) Securities and Exchange Commission rules

##### (1) Promulgation

###### (A) In general

Except as provided in subparagraph (B), not later than 6 months after the effective date of rules promulgated by the Federal Trade Commission under subsection (a), the Securities and Exchange Commission shall promulgate, or require any national securities exchange or registered securities association to promulgate, rules substantially similar to such rules to prohibit deceptive and other abusive telemarketing acts or practices by persons described in paragraph (2).

###### (B) Exception

The Securities and Exchange Commission is not required to promulgate a rule under subparagraph (A) if it determines that—

(i) Federal securities laws or rules adopted by the Securities and Exchange Commission thereunder provide protection from deceptive and other abusive telemarketing by persons described in paragraph (2) substantially similar to that provided by rules promulgated by the Federal Trade Commission under subsection (a); or

(ii) such a rule promulgated by the Securities and Exchange Commission is not necessary or appropriate in the public interest, or for the protection of investors, or would be inconsistent with the maintenance of fair and orderly markets.

If the Securities and Exchange Commission determines that an exception described in clause (i) or (ii) applies, the Securities and Exchange Commission shall publish in the Federal Register its determination with the reasons for it.

##### (2) Application

###### (A) In general

The rules promulgated by the Securities and Exchange Commission under paragraph (1)(A) shall apply to a broker, dealer, transfer agent, municipal securities dealer, municipal securities broker, government securities broker, government securities dealer, investment adviser or investment company, or any individual associated with a broker, dealer, transfer agent, municipal securities dealer, municipal securities broker, government securities broker, government securities dealer, investment adviser or investment company. The rules promulgated by the Federal Trade Commission under sub-