### GOVERNMENT AFFAIRS & LEGAL

# 2022 YEAR IN REVIEW

### BY THE NUMBERS



Meetings with Congressional Offices



Townhalls & Women Entrepreneurship Roundtables with Members of Congress



Comment Letters Submitted to Federal and State Government Agencies



Individuals Became Direct Selling Compliance Professional Certified



State Bills Tracked

8

**Co-Sponsors** 

for H.R. 5038-

the Preserving

Direct Seller

**Independence** Act



Liaison Meetings with State Attorney Generals, Legislators ど Partners

## A C C O M P L I S H M E N T S

### FEDERAL -

- Worked with the FTC Engagement Task Force to file comments with the Federal Trade Commission on an Advanced Notice of Proposed Rulemaking regarding Earnings Claims
- Drafted comments with the Independent Contractor Task Force to the United States Department of Labor regarding a proposed rule on classification of independent contractors. Urged the proposed rule was overbroad and could limit direct sellers as independent contractors.
- Submitted a joint comment to the United States Department of Labor with the National Association of Realtors requesting a final rule regarding classification of independent contractors incorporate 26 USC § 3508 to ensure direct sellers and realtors are classified as independent contractors

#### STATE -

- Kansas became the 28th state to have DSA model anti-pyramid legislation signed into law with strong bi-partisan support.
- Comments submitted to the Colorado Department of Revenue that would impose a motor vehicle delivery fee on all products delivered

#### INTERNATIONAL -

• Drafted and submitted comments on free trade agreements between the United States and the United Kingdom and Kenya to include direct selling text to ensure recognition of the direct selling model is recognized as both legal and desirable.

- Filed comments with the United States Trade Representative in support of inclusion of direct selling text in US-Taiwan Trade Initiative
- Submitted proposal to the Government of Vietnam regarding Decree 40 on local and national rules and regulations governing direct selling in Vietnam
- Appealed decision of the Government of Bahrain to ban direct selling in that market.

#### LEGAL —

• Filed an Amicus Brief in FTC v. Neora reminding the court of legal precedent regarding lawful compensation models

### ACTIVITIES

#### FEDERAL -

- Engaging with membership to respond to the Federal Trade Commission Advanced Notice of Proposed Rulemaking on the Business Opportunity Rule
- Letter signed by DSA and multiple associations supporting S. 3410, which would require the Federal Trade Commission to have reasonable guardrails before pursuing an enforcement action
- Led a multi-association letter to Capitol Hill urging Congress to be actively involved in the Federal Trade Commission Earnings Claims Rule

- Held Direct Selling Day on Capitol Hill that brought together more than 60 independent sellers and seventeen executives to urge over 50 Members of Congress to discuss legislative priorities.
- Presented the Legal & Regulatory Seminar with officials from the Federal Trade Commission, Members of Congress and thought leaders to discuss the current legal and legislative landscape
- Worked with members of the United States Senate Commerce Committee to have association views expressed during hearing on S. 4145, which would expand authority of the Federal Trade Commission

- Hosted a Virtual Direct Selling Caucus briefing with Reps. Richard Hudson (R-NC) and Marc Veasey (D-TX)
- Senator Marsha Blackburn (R-TN) expressed support for the Direct Selling Self-Regulatory Council during a United States Senate Commerce Committee hearing

#### STATE -

- Collaboration with Washington State Attorney General's office on legislation that would regulate direct selling companies in the state
- Supported legislation in Missouri that would clearly distinguish pyramid schemes under state law

#### INTERNATIONAL -

- Testified to the Indian Ministry of Commerce on proposed direct selling regulations in India
- Engaging Chinese authorities on proposed e-commerce in China

#### LEGAL -

• Serving as Vice Chair of the Coalition for Workforce Innovation, successfully challenged the recission of a favorable independent contractor rule by the previous Administration Department of Labor