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HOUSE BILL 1110

State of Washington 56th Legislature 1999 Regular Session

By Representatives Romero, Crouse, Conway, Poulsen, Ogden, Hurst, Tokuda, Stensen, O'Brien, Haigh, Lantz, Cooper, Rockefeller, Kessler and McIntire

Read first time 01/14/1999. Referred to Committee on Technology, Telecommunications & Energy.

- 1 AN ACT Relating to commercial telephone solicitation; amending RCW
- 2 19.158.110; adding a new chapter to Title 19 RCW; creating a new
- 3 section; prescribing penalties; and making an appropriation.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that persons should be
- 6 free of unwanted telephone calls from commercial telephone solicitors.
- 7 Opportunities for families to spend uninterrupted time together are
- 8 increasingly scarce and, consequently, increasingly precious. A
- 9 person's home should be a sanctuary from commercial solicitation if the
- 10 person so chooses. Many persons are discontent with having no
- 11 effective way to prevent intrusions upon their time by calls from
- 12 commercial telephone solicitors, beyond asking a solicitor not to call
- 13 again after the solicitor has called at least once. The legislature
- 14 intends to create a way for persons to post, in effect, a "no
- 15 solicitation" sign at their telephones, and a means by which commercial
- 16 telephone solicitors can screen persons who wish to receive calls from
- 17 those who do not, so that solicitors may more effectively use their
- 18 solicitation resources.

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- NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 3 (1) "Commercial telephone solicitation" means an unsolicited 4 telephone call to a person initiated by a salesperson and conversation 5 for the purpose of inducing the person to purchase or invest in 6 property, goods, or services.
- 7 (2) "Commercial telephone solicitor" means any person who engages 8 in commercial telephone solicitation, including service bureaus. 9 However, "commercial telephone solicitor" does not include a person 10 making calls for religious, charitable, political, or other 11 noncommercial purposes.
- 12 (3) "Department" means the department of licensing.
- 13 (4) "Person" includes any individual, firm, association, 14 corporation, partnership, joint venture, sole proprietorship, or any 15 other business entity.
- (5) "Salesperson" means any individual employed, appointed, or authorized by a commercial telephone solicitor, whether referred to by the commercial telephone solicitor as an agent, representative, or independent contractor, who attempts to solicit or solicits a sale on behalf of the commercial telephone solicitor.
- 21 (6) "Service bureau" means a commercial telephone solicitor who 22 contracts with any person to provide commercial telephone solicitation 23 services.
- (7) "Solicit" means to initiate contact with a person for the purpose of attempting to sell property, goods, or services, where such person has expressed no interest within the previous ninety days in purchasing, investing in, or obtaining information regarding the property, goods, or services attempted to be sold.
- 29 <u>NEW SECTION.</u> **Sec. 3.** (1) Any person who does not wish to receive 30 commercial telephone solicitation calls may have his or her telephone number placed on the list provided for in subsection (2) of this 31 32 section by notifying the department and paying an initial ten-dollar 33 listing fee. The notification must be made by a method prescribed by 34 the department. The listing shall be effective for one year, after which the person may renew the listing for successive one-year periods 35 36 by giving annual renewal notices to the department and paying a fivedollar fee each year the listing is renewed. 37

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- 1 (2)(a) The department shall establish and maintain a list of the 2 telephone numbers of persons who have notified the department that they 3 do not wish to receive commercial telephone solicitation calls and who 4 have paid the fees required by subsection (1) of this section. The 5 department shall prescribe the method or methods by which persons may 6 notify the department of requests to be placed on the list or to renew 7 placements on the list.
- 8 (b) The department shall update the list quarterly, and shall 9 provide the list free of charge to commercial telephone solicitors upon 10 request.
- 11 (c) All fees collected by the department under this section or 12 civil penalties collected by the attorney general in enforcing this 13 section shall be deposited in the commercial telephone solicitation 14 list account created in section 6 of this act, and used solely for the 15 administration and enforcement of this section.
- 16 (3) No commercial telephone solicitor may make or cause to be made 17 a commercial telephone solicitation call to any telephone number if the 18 number appears in the then-current list of the telephone numbers of 19 persons who have notified the department that they do not want to 20 receive commercial telephone solicitation calls.
- NEW SECTION. Sec. 4. The director of the department may make rules, create forms, and issue orders as necessary to carry out the provisions of this chapter, pursuant to chapter 34.05 RCW.
- NEW SECTION. Sec. 5. (1) Any person injured by a violation of section 3(3) of this act may bring a civil action in superior court to recover liquidated damages of not less than five hundred dollars nor more than two thousand dollars per violation, plus the costs of bringing the action and reasonable attorneys' fees.
- 29 (2) The director of the department may refer to the attorney general any available evidence concerning violations of this chapter or 30 violations of any rule adopted or order issued under this chapter. For 31 32 a first violation of section 3(3) of this act, the attorney general at his or her discretion and with or without reference, may send the 33 commercial telephone solicitor a letter warning the solicitor to 34 refrain from further violations. The attorney general may bring a 35 civil action to enjoin future violations if the commercial telephone 36 37 solicitor commits subsequent violations after the attorney general has

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- 1 sent a warning letter. In addition to granting appropriate injunctive
- 2 relief, the court shall impose a civil penalty of not less than five
- 3 hundred dollars nor more than two thousand dollars for each violation.
- 4 (3) No provision of this chapter shall be construed to limit any
- 5 right or remedy provided under chapter 19.86 or 19.158 RCW.
- 6 <u>NEW SECTION.</u> **Sec. 6.** The commercial telephone solicitation list
- 7 account is created in the custody of the state treasury. All moneys
- 8 received by the department under section 3 of this act or civil
- 9 penalties collected by the attorney general in enforcing section 3(3)
- 10 of this act shall be deposited in the commercial telephone solicitation
- 11 list account and used solely for the administration and enforcement of
- 12 section 3 of this act. Only the director of the department or the
- 13 director's designee may authorize expenditures from the account. The
- 14 account is subject to allotment procedures under chapter 43.88 RCW, but
- 15 no appropriation is required for expenditures.
- 16 Sec. 7. RCW 19.158.110 and 1989 c 20 s 11 are each amended to read
- 17 as follows:
- 18 (1) Within the first minute of the telephone call, a commercial
- 19 telephone solicitor or salesperson shall:
- 20 (a) Identify himself or herself, the company on whose behalf the
- 21 solicitation is being made, the property, goods, or services being
- 22 sold; and
- 23 (b) Terminate the telephone call within ten seconds if the
- 24 purchaser indicates he or she does not wish to continue the
- 25 conversation.
- 26 (2) If at any time during the telephone contact, the purchaser
- 27 states or indicates that he or she does not wish to be called again by
- 28 the commercial telephone solicitor or wants to have his or her name and
- 29 individual telephone number removed from the telephone lists used by
- 30 the commercial telephone solicitor:
- 31 (a) The commercial telephone solicitor shall not make any
- 32 additional commercial telephone solicitation of the called party at
- 33 that telephone number within a period of at least one year; and
- 34 (b) The commercial telephone solicitor shall not sell or give the
- 35 called party's name and telephone number to another commercial
- 36 telephone solicitor: PROVIDED, That the commercial telephone
- 37 solicitor may return the list, including the called party's name and

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- 1 telephone number, to the company or organization from which it received
 2 the list.
- 3 (3) The utilities and transportation commission shall by rule
- 4 ensure that telecommunications companies inform their residential
- 5 customers of the provisions of this section and section 3 of this act.
- 6 The notification may be made by:
- 7 (a) Annual inserts in the billing statements mailed to residential 8 customers; or
- 9 (b) Conspicuous publication of the notice in the consumer 10 information pages of local telephone directories.
- 11 (4) If a sale or an agreement to purchase is completed, the
- 12 commercial telephone solicitor must inform the purchaser of his or her
- 13 cancellation rights as enunciated in this chapter, state the
- 14 registration number issued by the department of licensing, and give the
- 15 street address of the seller.
- 16 (5) If, at any time prior to sale or agreement to purchase, the
- 17 commercial telephone solicitor's registration number is requested by
- 18 the purchaser, it must be provided.
- 19 (6) All oral disclosures required by this section shall be made in
- 20 a clear and intelligible manner.
- 21 <u>NEW SECTION.</u> **Sec. 8.** Section 1 through 6 of this act constitute
- 22 a new chapter in Title 19 RCW.
- 23 <u>NEW SECTION.</u> **Sec. 9.** The sum of fifty thousand dollars, or as
- 24 much thereof as may be necessary, is appropriated for the fiscal year
- 25 ending June 30, 2000, from the general fund to the department of
- 26 licensing for the purposes of this act.
- NEW SECTION. Sec. 10. By November 30, 2000, the department of
- 28 licensing shall report to the senate energy, technology and
- 29 telecommunications committee and house of representatives technology,
- 30 telecommunications and energy committee on the implementation of this
- 31 act and cost of administering and enforcing section 3 of this act.

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