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BILL ANALYSIS

Technology, Telecommunications & Energy Committee

HB 2611

Brief Description: Creating a no call list.

Sponsors: Representatives Lysen, Casada, Romero, Kenney, Berkey, Sullivan, Wood, Linville, Hunt, Kagi, Dickerson, Darneille, McDermott, Haigh, O'Brien, Chase, Fromhold, Veloria, Cody, Lovick, Upthegrove, Orcutt, Kirby, McIntire, Miloscia, Nixon, Campbell, Santos, Schual-Berke and Conway.

Brief Summary of Bill

- Requires the Attorney General to establish a no-call list for those who do not wish to receive commercial telephone solicitations.
- Creates the commercial telephone solicitation account to receive fees paid by consumers and telephone solicitors and penalties recovered for violations as the revenue source to support the program.

Hearing Date: 1/30/02

Staff: Pam Madson (786-7166).

Background:

Commercial telephone solicitors must register with the Department of Licensing and must comply with the state Commercial Telephone Solicitation Act.

Upon receiving an unsolicited commercial sales call, the person receiving the call may ask to be removed from the calling list used by the telephone solicitor and the solicitor may not make any further commercial solicitation calls to the person at that number for one year. The commercial telephone solicitor may not sell or give the number to another company or organization. Civil and criminal penalties may be imposed for violation of these provisions.

The Federal Communications Commission (FCC) rules require that telephone solicitors calling residential numbers keep a record of individuals who do not wish to receive any further calls. Under the Telephone Consumer Protection Act, a solicitor must honor its

do-not-call list for ten years.

There is no federally required national no-call list for telephone solicitations. However, the Federal Trade Commission (FTC) has recently proposed the creation of a national do-not-call registry as part of a broader proposal to change telemarketing sales rules.

Individuals may voluntarily register with the Telephone Preference Service of the Direct Marketing Association (DMA). The Service commercially publishes lists of consumers who do not wish to receive solicitation calls. The list may be used by telephone solicitors who wish to remove these numbers from their calling lists to avoid potential violations and resulting penalties.

Summary of Bill:

No call list established. The Attorney General (AG) is required to establish and maintain a "no call" list. This may be accomplished by contracting with a private vendor. The Washington Utilities and Transportation Commission must ensure by rule that telephone companies inform their residential customers of the no call list provisions.

Revenue to operate and maintain list. The list must be updated quarterly. Registered commercial telephone solicitors must obtain the list from the AG and must pay a fee to be determined by the AG. Consumers pay up to \$3 to put their phone number on the list for two years at a time. A reasonable fee can be charged for people who want to inspect the list or obtain a copy.

<u>Dedicated fund.</u> All moneys collected by the AG for fees or penalties are deposited into a dedicated account known as the commercial telephone solicitation account and may only be used to administer the program. Expenditures need not be appropriated.

<u>Unlawful conduct.</u> No commercial telephone solicitor may make a solicitation call to any number more than 60 days after the number appears on the list. If a telephone solicitor has procedures in place that implement this provision and a call is made to a person on the list which represents an isolated incident, the call is not considered a violation of the no-call provision.

<u>Enforcement.</u> Provision of the law are enforced by the AG. A violation of this law is also a violation of the consumer protection act. A consumer can bring an action against an individual telephone solicitor and may recover \$1,000 per violation.

Rules to implement. The AG may adopt rules to implement this provision.

Appropriation: None.

Fiscal Note: Requested on January 25, 2002.

Effective Date: January 1, 2003.