H-4105.2		

SUBSTITUTE HOUSE BILL 2611

State of Washington 2002 Regular Session 57th Legislature

Technology, Telecommunications House Committee on (originally sponsored by 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)

Read first time 02/06/2002. Referred to Committee on .

- AN ACT Relating to commercial telephone solicitation; amending RCW 1
- 2 19.158.110; adding new sections to chapter 19.158 RCW; prescribing
- penalties; and providing an effective date.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 Sec. 1. RCW 19.158.110 and 1989 c 20 s 11 are each amended to read as follows: 6
- 7 (1) Within the first minute of the telephone call, a commercial telephone solicitor or salesperson shall: 8
- (a) Identify himself or herself, the company on whose behalf the 9 10 solicitation is being made, the property, goods, or services being sold; and 11
- 12 (b) Terminate the telephone call within ten seconds if the 13 indicates he or she does not wish to continue the 14 conversation.
- 15 (2) If at any time during the telephone contact, the purchaser states or indicates that he or she does not wish to be called again by 16 17 the commercial telephone solicitor or wants to have his or her name and individual telephone number removed from the telephone lists used by 18

19 the commercial telephone solicitor:

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- The commercial telephone solicitor shall not make any 1 additional commercial telephone solicitation of the called party at 2 3 that telephone number within a period of at least one year; and
- 4 (b) The commercial telephone solicitor shall not sell or give the 5 called party's name and telephone number to another commercial PROVIDED, That the commercial telephone solicitor: 6 telephone 7 solicitor may return the list, including the called party's name and 8 telephone number, to the company or organization from which it received 9 the list.
- 10 (3) The utilities and transportation commission shall by rule ensure that telecommunications companies inform their residential 11 customers of the provisions of this section and section 2 of this act. 12
- 13 The notification may be made by:
- 14 (a) Annual inserts in the billing statements mailed to residential 15 customers; or
- (b) Conspicuous publication of the notice in the consumer 16 17 information pages of local telephone directories.
- (4) If a sale or an agreement to purchase is completed, the 18 19 commercial telephone solicitor must inform the purchaser of his or her 20 cancellation rights as enunciated in this chapter, state the registration number issued by the department of licensing, and give the 21 street address of the seller. 22
- (5) If, at any time prior to sale or agreement to purchase, the 23 24 commercial telephone solicitor's registration number is requested by 25 the purchaser, it must be provided.
- 26 (6) All oral disclosures required by this section shall be made in a clear and intelligible manner. 27
- NEW SECTION. Sec. 2. A new section is added to chapter 19.158 RCW 28 29 to read as follows:
- 30 (1)(a) The department of licensing shall provide for the establishment and operation of a list of telephone numbers of persons 31 who object to receiving commercial telephone solicitations. 32 33 shall be called the do not call list. The department shall update the 34 list quarterly, and shall provide the list, in written or electronic form, to commercial telephone solicitors that are registered with the 35 36 department under RCW 19.158.050 and have paid all applicable fees. The department shall establish a fee sufficient to support the costs of 37 administering and enforcing this section and providing the list 38

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quarterly to each commercial telephone solicitor. To the extent that 1 2 moneys from civil penalties or attorney fee awards are deposited in the commercial telephone solicitation account, the department shall use 3 4 these revenues to support its responsibilities under this section, and it shall adjust the fee accordingly. Each commercial telephone 5 solicitor registered under this chapter must pay the fee annually. The 6 7 department of licensing may contract with a private vendor to establish 8 and maintain the do not call list.

- 9 (b) Persons wishing to have their phone numbers placed on the list 10 must notify the department of licensing. A listing shall be effective 11 for two years, after which the person may renew the listing for 12 successive two-year periods by notifying the department of licensing. 13 The department of licensing shall determine the notification 14 requirements.
- 15 (c) All fees collected by the department of licensing under this 16 section, and civil penalties and attorneys' fees collected by the 17 attorney general in enforcing this section, shall be deposited in the 18 commercial telephone solicitation account created in section 3 of this 19 act, and used solely for the administration and enforcement of this 20 section.
- 21 (2) No commercial telephone solicitor may make a commercial 22 telephone solicitation to any telephone number more than sixty days 23 after the number appears on the current do not call list.

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- (3) A telephone solicitation made to a number on the do not call list is not a violation of this section if the telephone solicitation is an isolated occurrence made by a person who has in place adequate procedures to comply with this section.
- (4) The legislature finds that the practices covered by this 28 section are matters vitally affecting the public interest for the 29 30 purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the 31 development and preservation of business and is an unfair or deceptive 32 33 act in trade or commerce and an unfair method of competition for the 34 purpose of applying the consumer protection act, chapter 19.86 RCW. In 35 addition to any other penalties or remedies available under this chapter or chapter 19.86 RCW, a person injured by a violation of 36 37 subsection (2) of this section may bring an action for recovery of liquidated damages in the amount of one thousand dollars per violation, 38 39 plus court costs and attorneys' fees.

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- 1 (5) The director of the department of licensing may make rules, 2 create forms, and issue orders as necessary to carry out the provisions 3 of this section.
- MEW SECTION. Sec. 3. A new section is added to chapter 19.158 RCW to read as follows:
- The commercial telephone solicitation account is created in the 6 7 custody of the state treasurer. All moneys received by the department under section 2 of this act and civil penalties and attorneys' fees 8 9 collected by the attorney general in enforcing section 2 of this act shall be deposited in the commercial telephone solicitation account and 10 used solely for the administration and enforcement of section 2 of this 11 12 Only the director of the department of licensing or the act. director's designee may authorize expenditures from the account. 13 The 14 account is subject to allotment procedures under chapter 43.88 RCW, but 15 no appropriation is required for expenditures.
- 16 <u>NEW SECTION.</u> **Sec. 4.** This act takes effect January 1, 2003.

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