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CS FOR SENATE BILL NO. 138()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): SENATORS WIELECHOWSKI, DAVIS, AND EGAN, Ellis, Thomas

A BILL

FOR AN ACT ENTITLED

"An Act relating to the inclusion of the charges of a vendor of goods or services on the bills of certain telecommunications carriers; and adding an unlawful act to the Alaska Unfair Trade Practices and Consumer Protection Act."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*** Section 1.** AS 42.05 is amended by adding a new section to article 8 to read:

Sec. 42.05.715. Telecommunications carrier bills; disclosures and contested charges. (a) A telecommunications carrier shall clearly identify in separate sections of a customer's bill

(1) charges by each person or billing agent that generates a charge on the bill; and

(2) the information provided to the telecommunications carrier under (b) of this section.

(b) A person or billing agent may not charge customers of a telecommunications carrier on the carrier's bill for a product or service unless the

person or billing agent provides to the telecommunications carrier the following information:

(1) the amount charged for each product or service, separately identifying taxes or surcharges;

(2) a clear and concise description of the product or service that is the basis of the charge;

(3) the name of the entity providing the product or service or otherwise generating the charge; and

(4) a toll-free telephone number or other no-cost means of contacting the entity generating the charge to resolve a dispute regarding the charge.

(c) A telecommunications carrier may not discontinue services to a customer based on the customer's failure to pay a charge of another person or billing agent appearing on the telecommunications carrier's bill, when the customer has contested the charge using the contact information provided under (b) of this section.

(d) The commission may adopt regulations to carry out the provisions of this section.

(e) In this section,

(1) "billing agent" has the meaning given in AS 45.50.476;

(2) "telecommunications carrier" means a telecommunications utility required to be certificated by or registered with the Regulatory Commission of Alaska.

* **Sec. 2.** AS 45.50.471(b) is amended by adding a new paragraph to read:

(58) violating AS 45.50.476 (charges billed by telecommunications carriers).

* **Sec. 3.** AS 45.50 is amended by adding a new section to read:

Sec. 45.50.476. Charges billed by telecommunications carriers. (a) Except as provided in (c) of this section, a vendor of goods or services may not bill charges for goods or services on a customer's telephone bill from a telecommunications carrier.

(b) A person may not induce a telecommunications carrier, directly or through an intermediary, to bill a customer for goods or services of a vendor unless the billing is permitted under (c) of this section. In this subsection, "person" includes a person

1 who aggregates consumer billings or serves as a clearinghouse for aggregate billings.

2 (c) This section does not apply to an itemized billing in compliance with
3 AS 42.05.715 for

4 (1) the sale of goods or services governed by an effective tariff of

5 (A) a public utility operating under a certificate of public
6 convenience and necessity issued by the Regulatory Commission of Alaska; or

7 (B) a carrier operating under a certificate, license, or
8 authorization issued by the Federal Communications Commission;

9 (2) direct-dial or dial-around services initiated from the customer's
10 telephone;

11 (3) operator-assisted telephone calls, collect calls, or telephone
12 services provided to facilitate communications to or from inmates in a correctional
13 center; or

14 (4) goods or services for which the vendor or billing agent has
15 provided the telecommunications carrier with

16 (A) the following:

17 (i) an electronic letter with the consumer's express
18 authorization of the charge;

19 (ii) proof that a written confirmation of the charge was
20 provided to the consumer; and

21 (iii) the consumer's birthdate or the last four digits of
22 the consumer's social security number; or

23 (B) independent third-party verification of the customer's
24 express authorization.

25 (d) In this section,

26 (1) "billing agent" means an entity that submits charges for goods or
27 services to the billing telecommunications carrier on behalf of itself or a vendor;

28 (2) "express authorization" means

29 (A) a customer agreement to be billed for the charges in a
30 signed, written document in paper, electronic, or digital form; or

31 (B) oral agreement to be billed for the charges after the

customer's identity has been verified by an independent third-party verification company using unique identifying information;

(3) "telecommunications carrier" means a telecommunications utility required to be certificated by or registered with the Regulatory Commission of Alaska.

* **Sec. 4.** AS 45.50.481(a) is amended to read:

(a) Nothing in AS 45.50.471 - 45.50.561 applies to

(1) an act or transaction regulated under laws administered by the state, by a regulatory board or commission except as provided by AS 45.50.471(b)(27), [AND] (30), and (58), or officer acting under statutory authority of the state or of the United States, unless the law regulating the act or transaction does not prohibit the practices declared unlawful in AS 45.50.471;

(2) an act done by the publisher, owner, agent, or employee of a newspaper, periodical, or radio or television station in the publication or dissemination of an advertisement, when the owner, agent, or employee did not have knowledge of the false, misleading, or deceptive character of the advertisement or did not have a direct financial interest in the sale or distribution of the advertised product or service;

(3) an act or transaction regulated under AS 21.36 or AS 06.05 or a regulation adopted under the authority of those chapters.