

**ALASKA LEGISLATURE**

**2484**

**HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004**

04-29-08

To Senate Finance Com.

Write no on H. B. 11

Don't move it out of Senate Finance

Dale F. Johnson

230 N. Fern St.

Kenai AK 99611 907 283 7648

April 29 - 2003

To

Senate Finance Com.

Vote NO on H-B-11 - Do not  
make it out of Senate  
Finance Com.

Shirley M. Johnson

230 N. FERN

Kenai, Alaska 99611

907-283-7648

No New Taxes

SENATE FINANCE COMMITTEE

SIGN-IN

SB 73-AIDEA: BONDS & MUNICIPAL TAX EXEMPTION

NAME: Mike Barry Subject/Bill No: 73  
Co./Dept./Title: AIDEA Ch. q BOD Phone: (907) 2231614  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

**SITE: Offnets**

**COMMITTEE: SFIN**

**DATE: 5/8/03**

**SUBJECT OF MEETING:**

**HB203 & SB73**

**UPDATE #:**



# PLEASE SIGN IN

**PLEASE PRINT:**

**DO YOU WANT**

**NAME**

**ADDRESS (MAILING & ZIP)**

**REPRESENTING**

**TO TESTIFY?**

**Y or N**

<b>Applegate &amp; Weiner</b>		<b>AIDEA</b>	<b>Ans. ?'s</b>

SENATE FINANCE COMMITTEE

SIGN-IN

HB 11-DEPOSITS TO THE PERMANENT FUND

NAME: Bob Bartholomew Subject/Bill No: HB 11  
Co./Dept./Title: Permanent Fund Corp Phone: 465-3663  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

✓ NAME: Kevin Ritchie Subject/Bill No: HB 11  
Co./Dept./Title: AK Municipal League Phone: 586-1325  
Address: 217 2nd St Zip: 99801

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

**SITE: Kenai LIO**

**COMMITTEE: Senate Finance**

**DATE: 4-28-03**

**SUBJECT OF MEETING:**

**HB 11 Deposits to the Permanent Fund**

**UPDATE #:**

## PLEASE SIGN IN

<u>P R I N T</u> YOUR NAME	ADDRESS (MAILING & ZIP)	REPRESENTING	TESTIFYING? Y OR N
✓ Ed Martin, Sr.	44332 Sterling Hwy #36 Soldotna, AK 99669	Self	Y
✓ Email address:			HB 11
✓ Lenore Jones	5125 Silver Salmon Dr Kenai, AK 99611	Self	Y
✓ Email address:			HB 11
✓ Laurie Churchill	PO Box 7043 Nikiski, AK 99635	Self	Y
✓ Email address:	sweettartak@hotmail.com		HB 11
✓ Petria Falkenberg	PO Box 3293 Kenai, AK 99611	Self	Y
✓ Email address:	pet_rainbow@yahoo.com		HB 11
✓ Linda Hordeman	PO Box 763 Kenai, AK 99611	Self	Y
✓ Email address:			HB 11
✓ Susan Gibson	PO Box 2325 Soldotna, AK 99669	Self	Y
✓ Email address:			HB 11
✓ Email address:			
✓ Email address:			







**HB**

**12**

**SFIN**

**FILE**

**SENATE FINANCE COMMITTEE REPORT**

DATE: 3/13/03

REPORTED OUT  
MAR 31 2003  
SENATE FINANCE  
COMMITTEE

FURTHER:

DATE TURNED  
IN TO OFFICE: 3/31/03

Finance Committee considered CS FOR HOUSE BILL NO. 12(JUD) am

**HB 12 HARASSMENT BY ELECTRONIC COMMUNICATION**

"An Act relating to the crime of harassment committed by use of electronic communication."

and recommends:

be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

attached amendment(s)

adopt Letter of Intent by House Judiciary Committee

further referral to \_\_\_\_\_ Committee

**Senate Bill:**

same title

new title

**House Bill:**

same title

technical title

new: SCR # \_\_\_\_\_

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Zero	FN#
Admin!	2/3/03	*		3
DPS	2/5/03		✓	2
Law	2/5/03		✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>Ben Stevens</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>				
COCHAIR: <i>[Signature]</i>	✓			

# ALASKA STATE LEGISLATURE

Rep. Lesil McGuire, Chair  
Rep. Tom Anderson, Vice-Chair  
Rep. John Coghill  
Rep. Jim Holm  
Rep. Ralph Samuels  
Rep. Les Gara  
Rep. Max Gruenberg



State Capitol, Room 120  
Juneau, AK 99801-1182  
(907) 465-4990  
Fax (907) 465-6592

## House Judiciary Committee

### Letter of Intent CSHB 12 (JUD)

It is the intent of the House Judiciary Committee that the term "electronic communication," as it is used in AS 11.61.120(a), amended by CSHB 12 (JUD), means any transfer of signs, signals, writing, images, sounds, data, or intelligence of any nature transmitted in whole or in part by, but not limited to, the following forms of direct communication: electronic mail and text messages displayed by cellular, cordless, or digital telephones, or other electronic media. It is the intent of this committee to provide the most reasonable and common sense definition of "electronic communication" as it pertains to methods of harassment. As computer technologies evolve, communication will advance as well. By declining to limit and narrowly define methods of "electronic communication," this body is allowing for future methods of technology to be incorporated into the definition.

A handwritten signature in cursive script, appearing to read "Lesil McGuire".

Representative Lesil McGuire  
Chair

**Adopted by the House  
February 19, 2003**

MAR 3 1 2003

SENATE FINANCE COMMITTEE

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: CSHB 12(JUD)  
(H) Publish Date: 2/12/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Law  
Title: "An Act relating to harassment." BRU: Criminal Division  
Sponsor: Representative Meyer Component: All  
Requester: House Judiciary Component No. \_\_\_\_\_

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

HB 12 adds "electronic communication" as a means of harassment under AS 11.61.120(a). Harassment is a class B misdemeanor.

While this bill would create a new crime, the Department of Law does not believe there will be many new cases, and does not anticipate a fiscal impact from passage of this legislation.

Prepared by: Joan M. Kasson Phone (907) 465-5370  
Division: Attorney General's Office Date/Time 2/5/03 8:50 AM  
Approved by: Kathryn Daughhetelee for Gregg D. Renkes, Attorney General Date 2/5/2003  
Agency: Department of Law

MAR 31 2003

SENATE FINANCE  
COMMITTEE

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: CSHB 12(JUD)  
(H) Publish Date: 2/12/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Public Safety  
Title An act relating to harassment. BRU AST Detachment  
Component AST Detachment  
Sponsor Representative Meyer  
Requester House Judiciary Component No. 2325

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Lieutenant Matthew Loveque Phone 907 269-0390  
Division: Alaska State Troopers Date/Time 2/5/03 4:08 PM  
Approved by: William Tandoske, Commissioner Date 2/5/2003  
Agency: Department of Public Safety

MAR 31 2003

SENATE FINANCE  
COMMITTEE

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 3  
Bill Version: CSHB 12(JUD)  
(H) Publish Date: 2/12/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
Title: An Act relating to harrasment. BRU: Legal and Advocacy Service  
Sponsor: Representative Meyer Component: Public Defender Agency  
Requester: (H) Judiciary Component No.: 1631

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	*	*	*	*	*	*
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	*	*	*	*	*	*

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	*	*	*	*	*	*
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	*	*	*	*	*	*

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This proposed legislation broadens the crime of harrasment to include anonymous or obscene email or email that threatens physical injury. While the Agency doesn't handle a significant number of harrasment cases under the current statute, this proposed broadening of the crime to include any anonymous or obscene email sent with the intent to annoy will likely have a fiscal impact on the Public Defender Agency because it will result in more cases handled by the Agency. It is not possible to predict with any certainty, however, the number of new cases this bill will generate, therefore, an indeterminate fiscal note is submitted.

Prepared by: Linda K. Wilson, Deputy Director Phone (907)-334-4416  
Division: Public Defender Agency Date/Time 2/3/03 9:35 AM  
Approved by: Sharon Barton, Acting Commissioner Date 2/3/2003  
Agency: Department of Administration



# **REPRESENTATIVE KEVIN MEYER**

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HOUSE DISTRICT 19

## **Sponsor Statement**

**CS HB 12 (JUD)am**

**“An Act relating to the crime of harassment committed by use of electronic communication.”**

Under CS HB 12 (JUD)am, the list of methods of harassment under AS 11.61.120 will be expanded to include the sending of obscene electronic communications, or sending electronic communications that threaten physical injury or sexual contact.

The Internet and other telecommunication technologies are advancing every aspect of society. Unfortunately, many of the attributes of this technology - low cost, ease of use, and anonymous nature - make it an attractive medium for a new concern known as electronic communications harassment. As the online population has soared to an estimated 80 million users, the real-world crime of harassment has moved into cyberspace, causing annoyance and fear for victims.

Law enforcement agencies throughout Alaska have seen a rise in reported electronic harassment crimes. As the Internet becomes a more integral part of personal and professional lives, individuals can take advantage of the ease of communication as well as increased access to personal information and the benefit of anonymity. Whereas an individual may be unwilling or unable to confront a victim in person or on the telephone, he or she may have little hesitation sending harassing or threatening electronic communications to a victim.

The fact that electronic harassment does not involve physical contact creates the misconception that it is more benign than physical harassment or stalking. However, law enforcement agencies recognize the serious nature and extent of electronic harassment and are beginning to take aggressive action. In response to the growing number of reported email harassment claims, special units have been developed to investigate and prosecute email harassment and other computer related crimes. CS HB 12 (JUD)am would provide these agencies with a significant tool to protect and prosecute on behalf of Alaskans.

Last Updated: 3/17/2003

RECEIVED

FEB 06 2003

Detective Richard Rhea  
Anchorage Police Department  
4501 S. Bragaw  
Anchorage, AK 99507  
(970) 786-2637

RE: HB 12

To Representative Meyer and Committee members:

I am a Detective with the Anchorage Police Department. I have been a police officer for eleven years and a Detective for about two years. While on uniformed patrol, I handled hundreds of domestic violence related calls. As a Detective, I have worked as a general investigator, a Detective in the crimes against children unit and am now assigned to the computer crime unit.

I have handled Internet questions involving harassment before and I now have an actual case before me involving an ex-boyfriend who has posted personal information and photos of his ex-girlfriend. The victim, at one time had a restraining order on her violent boyfriend that the victim was eventually talked into dropping. The victim, as of a few weeks ago, has left state to get away from her ex. Since then, the victim has started to receive numerous e-mails. Some of the photos taken of the victim are of a compromising nature. The personal information posted by the suspect contains various items but specifically the phone number of the victim's out of state mother and the victim's e-mail address. The victim realized something was amiss when she started receiving e-mail about wanting more photos, dates etc. There were also lewd comments about her photos. The victim feels totally violated and humiliated. The victim would like this to stop.

I am assisting the victim and have told her that there are Municipal ordinances that cover this. Although we have those ordinances here in Anchorage, the nature of the World Wide Web (Internet) has made occurrences of computer crimes more than just a local phenomenon. These crimes may also have an Anchorage connection but suspect and victim may live out of Anchorage. In some cases, state charges add more bite to criminal justice system. The Municipality of Anchorage has recognized this and has amended their harassment/illegal use of telephone ordinances several years ago. This proposed legislation makes city and state laws more consistent and provides additional tools to law enforcement to combat this crime and assist victims.

Based on current state law, the victim would need to pursue civil means to address this (these incidents) and at what personal and financial cost? No one deserves to be harassed in any way either in person or electronically. With the dawning of a new century and Homeland Security, Alaska needs to become savvier with computer crimes. Alaska has the highest per capita computer users of any state in the union. We also, as of the writing of this letter, have two Anchorage Police Detectives that investigate computer crimes full time. There is also an Alaska State Trooper Sergeant white-collar crime supervisor that handles computer crimes in addition to his other duties. Neither of our organizations have an adequate budget for computer investigations so, any help we can get to make life easier for the victims and add additional law enforcement tools, is very much wanted and appreciated.

Thank you for your consideration in this matter,

Richard Rhea

Mike Messick  
1520 N. Aspen Place  
Wasilla, AK. 99654  
(907) 373-4858

RE: HB 12

To Whom It May Concern:

It is with great anticipation and relief that I am writing this letter of support for Representative Meyer's bill to amend AS 11.61.120(a). Due to the nature of my job duties for the past 6 years, I have had the opportunity to provide technical assistance to municipal, state, and federal authorities for numerous computer-related investigations pertaining to harassment and other crimes committed or assisted by the use of a computer.

On many occasions, criminal charges could not be brought against a perpetrator simply because he (or she) had used a computer in the commission of the crime. Had the perpetrator used a telephone or other "conventional" means to commit the same type of crime, a violation of AS 11.61.120(a) would have been committed, and appropriate prosecutorial action taken.

AS 11.61.120(a) currently only contains language pertaining to harassment by telephone, physical, and verbal contact. Given the proliferation of internet-connected computers, especially in Alaska, this statute needs to be expanded to also cover harassment by electronic communications. This proposed expansion of coverage does not change the intent of the statute in the least, but rather reinforces it by including one of the most common means of communication in use today.

Simply put, this bill would empower municipal and state law enforcement officials to more adequately carry out the intentions of the legislature. As many law enforcement officials investigating cyber-harassment will attest, the current law is insufficient; therefore, I ask for your support of this amendment.

Thank you for your consideration in this matter.

Sincerely,

Mike Messick  
Information Security Architect  
ConocoPhillips

STATE OFFICE  
**ALASKA PEACE OFFICERS ASSOCIATION**

P.O. Box 240106 Anchorage, Alaska 99524-0106 Phone (907) 277-0515 Fax (907) 272-5355



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Joseph Young  
Anchorage

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Anchorage  
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Palmer  
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Juneau  
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Pres. First City Chapter

James See, Member  
Craig  
Pres. Prince of Wales Chapter

John Lucking Jr., Member  
Unalaska  
Pres. Aleutian Islands Chapter

Jett Odom, Member  
Wrangell  
Pres. Wrangell Chapter

January 14, 2003

Representative Kevin Meyer  
State Capitol  
Juneau, Alaska 99801-1182

Dear Representative Meyer:

On behalf of the Alaska Peace Officers Association (APOA), I would like to thank you for introducing House Bill No. 12, an act relating to harassment.

The APOA State Board of Directors recently met and after discussing this proposed legislation, decided to unanimously support this bill.

Your legislative amendment will help to close the gap on those who are victims of harassment by means of electronic communication. In our ever-changing world of telecommunications we need legislation like yours to cover all methods and modes of communication involving the crime of harassment. We believe that this proposed legislation will be of benefit to both citizens and law enforcement of Alaska.

Please contact the APOA office in Anchorage at 277-0515 if there is anything our organization can do to assist in the passage of this bill.

Sincerely,

Leo J. Brandlen  
State President

# SENATE COMMITTEE REPORT

DATE: 2/21/03

FURTHER: Finance

DATE TURNED  
IN TO OFFICE: 3/12/03

Judicial, Committee considered CS FOR HOUSE BILL NO. 12(JUD) am

## HB 12 HARASSMENT BY ELECTRONIC COMMUNICATION

"An Act relating to the crime of harassment committed by use of electronic communication."

and recommends:

be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

attached amendment(s)

adopt Letter of Intent by J. H. Secretary Committee

further referral to \_\_\_\_\_ Committee

**Senate Bill:**

same title

new title

**House Bill:**

same title

technical title

new: SCR # \_\_\_\_\_

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Zero	FN#
Legal			✓	1
DPS			✓	2
Public		*		3

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:		DO PASS	DO NOT PASS	NO REC	AMEND
Ellis		X			
French		X			
Ogan		X			
Therriault		X			
Seekins	CHAIR:	X			

**HB**

**14**

**HFIN**

**FILE**

# ALASKA STATE LEGISLATURE

## House of Representatives

Representative Hugh (Bud) Fate



State Capitol, Room 128  
Juneau, AK 99801  
Phone: (907) 465-4976  
Fax: (907) 465-3883  
Toll Free: (866) 465-4976

Co-Chair Resources  
Member:  
*Military & Veterans Affairs*  
*Oil & Gas*  
*Transportation*

### Sponsor Statement

#### House Bill 14

**“An Act relating to an absence from the state while providing care for a terminally ill grandparent for purposes of determining eligibility for a permanent fund dividend; and providing for an effective date.”**

House Bill 14 is a one-word change that expands the legal definition of family. Once passed into statute, The Permanent Fund Division of the Department of Revenue will consider grandparents as much a part of the family as parents, spouses, sibling, children, and stepchildren.

By adding the word “grandparent” to the language, the family will be able to provide care for them in their final days without being penalized by the state. Grandparents have provided the wisdom and the knowledge of the family for years. They have passed that along to their children and represent the last living relatives who truly know a family’s heritage. We as siblings owe much to our grandparents, but by the nature of their age they are the most common members of any family to be facing a terminal illness.

The addition of this one word to existing language will show Alaskans that we do believe the family is more than one or two generations. The family is the still the strongest single unit that makes this state great and we as legislators need to acknowledge that by passing House Bill 14.



# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: February 19, 2003

FURTHER REFERRALS:

Date of Committee Action: 3/10/03

The FINANCE Committee considered:

HB 14

HOUSE BILL NO. 14

PERMANENT FUND ALLOWABLE ABSENCES

"An Act relating to an absence from the state while providing care for a terminally ill grandparent for purposes of determining eligibility for a permanent fund dividend; and providing for an effective date."

Recommends it be replaced with  HCS or  CS for \_\_\_\_\_ (\_\_\_\_\_)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

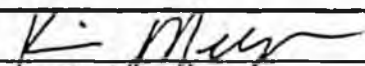
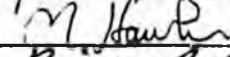
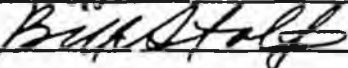
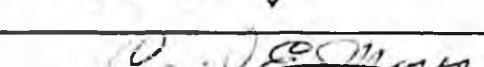


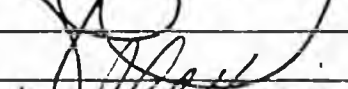
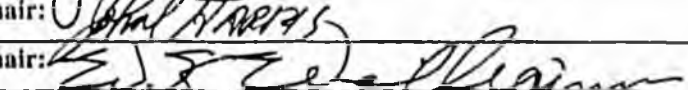
- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

List of  
Abbrev  
for  
Depts.:

- ADM
- CED
- COR
- CRT
- EED
- DEC
- DFG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
REV	1			✓

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Meyer	✓			
	Hawker	✓			
	Stalder			✓	
	MOSES	✓			
	Whitaker	✓			
	FOSTER	X			
Chair: 	HARRIS	✓			
Chair: 		✓			

# FISCAL NOTE

**STATE OF ALASKA**  
**2003 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 14  
 (H) Publish Date: 2/19/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title Permanent Fund Allowable Absences BRU Revenue Operations  
 Component Permanent Fund Dividend  
 Sponsor Representative Fate  
 Requester House State Affairs Committee Component No. 981

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation would amend AS 43.23.008(a)(7) to add "providing care for the individual's terminally ill ... grandparent" to the list of allowable absences from the state while retaining eligibility for the annual Alaska Permanent Fund dividend. The statute currently lists care for a terminally ill parent, spouse, sibling, child or stepchild as an allowable absence.

The Permanent Fund Dividend Division generally accepts a doctor's statement in determining if the relative is terminally ill and does not substitute its judgment for that of a health care professional.

The addition of one more allowable absence to the dividend program will not impact the budget of the division, nor is it expected to have a measurable effect on the amount of the annual dividend.

Prepared by: Larry Persily, Deputy Commissioner Phone 465-5469  
 Division Department of Revenue Date/Time 2/16/03 12:37 PM  
 Approved by: Larry Persily, Deputy Commissioner Date 2/16/2003  
 Agency Department of Revenue

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: HB 14  
(H) Publish Date: 2/19/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
Title Permanent Fund Allowable Absences BRU Revenue Operations  
Component Permanent Fund Dividend  
Sponsor Representative Fate  
Requester House State Affairs Committee Component No. 981

**Expenditures/Revenues** (Thousands of Dollars)

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Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

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Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation would amend AS 43.23.008(a)(7) to add "providing care for the individual's terminally ill ... grandparent" to the list of allowable absences from the state while retaining eligibility for the annual Alaska Permanent Fund dividend. The statute currently lists care for a terminally ill parent, spouse, sibling, child or stepchild as an allowable absence.

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The addition of one more allowable absence to the dividend program will not impact the budget of the division, nor is it expected to have a measurable effect on the amount of the annual dividend.

Prepared by: Larry Persily, Deputy Commissioner Phone 465-5469  
Division Department of Revenue Date/Time 2/16/03 12:37 PM  
Approved by: Larry Persily, Deputy Commissioner Date 2/16/2003  
Agency Department of Revenue

# ALASKA STATE LEGISLATURE

## House of Representatives

Representative Hugh (Bud) Fate

State Capitol, Room 128  
Juneau, AK 99801  
Phone: (907) 465-4976  
Fax: (907) 465-3883  
Toll Free: (866) 465-4976



Co-Chair Resources  
Member:  
*Military & Veterans Affairs*  
*Oil & Gas*  
*Transportation*

### Sponsor Statement

#### House Bill 14

**“An Act relating to an absence from the state while providing care for a terminally ill grandparent for purposes of determining eligibility for a permanent fund dividend; and providing for an effective date.”**

House Bill 14 is a one-word change that expands the legal definition of family. Once passed into statute, The Permanent Fund Division of the Department of Revenue will consider grandparents as much a part of the family as parents, spouses, sibling, children, and stepchildren.

By adding the word “grandparent” to the language, the family will be able to provide care for them in their final days without being penalized by the state. Grandparents have provided the wisdom and the knowledge of the family for years. They have passed that along to their children and represent the last living relatives who truly know a family’s heritage. We as siblings owe much to our grandparents, but by the nature of their age they are the most common members of any family to be facing a terminal illness.

The addition of this one word to existing language will show Alaskans that we do believe the family is more than one or two generations. The family is still the strongest single unit that makes this state great and we as legislators need to acknowledge that by passing House Bill 14.

**HB**

**14**

**SFIN**

**FILE**



OFFICIAL BUSINESS

Alaska State Legislature  
Senate  
Office of the Secretary

STATE CAPITOL, ROOM 213  
JUNEAU, ALASKA 99801-1182  
(907) 465-3701  
FAX: 465-2832  
EMAIL: senate\_secretary@legis.state.ak.us

**FOR YOUR IMMEDIATE ATTENTION**

DATE: 5/15/03  
TO: Finance Committee  
(Mindy, Room 520)  
FROM: Office of the Senate Secretary  
SUBJ: Referral Change

The CoChair of the Committee noted above has waived the referral(s) on the following bills(s):

**RETRIEVE**

HB 14 PERMANENT FUND ALLOWABLE ABSENCES

Please give the bill file(s) to the page delivering this message for forwarding to the next Committee of referral.

Thank you.

**HB**

**15**



HFIN

FILE

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: March 26, 2003

FURTHER REFERRALS:

Date of Committee Action: 2.23.04

The FINANCE Committee considered:

HB 15

**HOUSE BILL NO. 15**

**TELEMARKETERS NO-CALL LISTS**

"An Act relating to establishing the Alaska No-Call List, a data base of residential telephone customers who do not wish to receive telephonic solicitations; providing that the data base be compiled at no cost to the customers; requiring paid telephonic sellers to purchase the data base; requiring telephonic sellers to identify themselves; requiring telephonic solicitors who are otherwise exempt from registration as telephonic solicitors to file with the Department of Law and purchase the data base; and providing for an effective date."

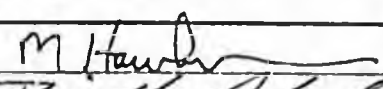
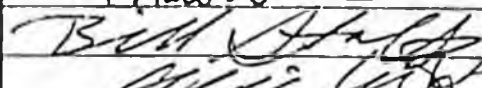
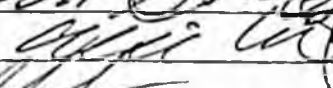
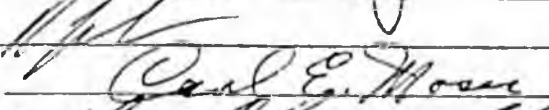
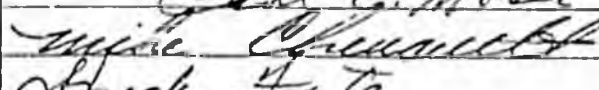
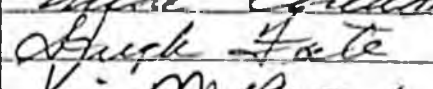
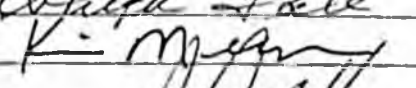


Recommends it be replaced with  HCS or  CS for HB 15 (FIN)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts.:  
 ADM  
 CED  
 COR  
 CRT  
 EED  
 DEC  
 DFG  
 GOV  
 HSS  
 LEG  
 LAW  
 LWF  
 MVA  
 DNR  
 DPS  
 REV  
 DOT  
 UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
CED				✓
LAW		✓		

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Hawker	✓			
	STOLTZ			✓	
	CROTT	✓			
	MOORE			✓	
	Chennault	✓			
	Fabe	✓			
	Meyer	✓			
Chair: 		✓			
Chair: 		✓			

# FISCAL NOTE

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: CSHB 15 (STA)  
( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
Title Telemarketers No-Call Lists RDU Banking, Securities & Corp. (115)  
Component Banking, Securities & Corp.  
Sponsor Representatives Fate, et al  
Requester House Finance Component No. 1233

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation does not affect the operations of this department.

Prepared by: Mark Davis, Director Phone (907) 465-2521  
Division Banking, Securities & Corporations Date/Time 2/13/04 2:04 PM  
Approved by: Edgar Blatchford, Commissioner Date 2/13/2004  
Agency Department of Community & Economic Development

# FISCAL NOTE

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

Fiscal Note Number: HB15CS-LAW-C&FB-2-2  
 Bill Version: CSHB 15 (FIN)  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: LAW  
 Title "An Act relating to fair trade practices and consumer RDU CIVIL  
protection, to telephone solicitations, to charitable solicitations..." Component Commercial & Fair Business  
 Sponsor Representative Fale  
 Requester House Finance Committee Component No. \_\_\_\_\_

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>	<b>76.6</b>	<b>76.6</b>	<b>76.6</b>	<b>76.6</b>	<b>76.6</b>	<b>76.6</b>
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1007 Interagency Receipts						
1141 RCA Receipts						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** *(Attach a separate page if necessary)*

This bill has two general components. First, it amends the Unfair Trade Practices and Consumer Protection Act by creating a state cause of action for violations of the national do-not-call registry. It also amends the Act's do-not call provision (the "black dot law") and provides for its repeal once the establishment and enforcement of the national registry is ensured. In addition, the bill clarifies that "goods or services" covered by the Act include consumer credit transactions and other credit transaction involving an indebtedness secured by a consumer's residence.

The bill also amends the Charitable Solicitations Act (CSA) and Telephone Solicitations Act (TSA) in a number of ways. It requires payment of a fee when charitable organizations, paid solicitors for charitable organizations, and telephone solicitors register, or renew their registrations, with the

Prepared by: Kathryn A. Daughhete, Director Phone 465-3673  
 Division Administrative Services Date/Time 2/23/04 8:27 AM  
 Approved by: Kathryn Daughhete for Gregg D. Renkes, Attorney General Date 2/23/2004  
 Agency Department of Law

THE  
FOLLOWING  
DOCUMENT(S)  
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POOR  
ORIGINAL  
COPIES

FISCAL NOTE

STATE OF ALASKA  
2004 LEGISLATIVE SESSION

BILL NO. CSHB 15 (FIN)

ANALYSIS CONTINUATION

Department of Law as required under these Acts.

Paid solicitors for charitable organizations would be required to submit a financial report to the department at the close of each solicitation campaign. The report would include, among other information, the disclosure of gross revenue generated during the campaign and the amount provided to the charity.

In addition, the bill would specifically provide that a person may not provide false information on the registration form filed with the Department, and allow the forms to be submitted either under oath or affirmation or under penalty of unsworn falsification. Thus, prosecution for perjury or unsworn falsification could be pursued if a registrant provided inaccurate information to the Department. The bill also amends the TSA to remove an exemption from registration for solicitations for the sale of magazines, periodicals, sound recordings and books.

Because the bill no longer provides for the creation of a state do not call registry, the expenditures indicated the fiscal note for CSHB 15 STA) are no longer relevant. With the registration fees that would be established in the amendments to the TSA and CSA, it is anticipated that this bill would generate approximately \$76,600 each year. This revenue estimate is based on average fees charged by other states and the number of organizations that submitted registration in 2003:

Charitable organization:  $\$40 \times 1,615 = \$64,600$   
Paid Solicitors:  $\$200 \times 30 = \$ 6,000$   
Telephone solicitors:  $\$200 \times 30 = \underline{\$ 6,000}$

\$76,600

Adopted  
2.23.04

23-LS0058\S.1  
Craver  
2/23/04

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FATE

TO: CSHB 15( ), Draft Version "S"

1 Page 1, lines 13 - 14:

2 Delete "at least 90 days"

3 Insert "the minimum amount of time required by the national do not call registry"

4

5 Page 2, lines 20 - 21:

6 Delete "in good faith"

7 Insert "as a result of a good faith error"

8

9 Page 7, line 14:

10 Delete "This chapter does"

11 Insert "AS 45.63.010, 45.63.015, 45.63.020, and AS 45.63.030(c) and (d) do [THIS

12 CHAPTER DOES]"

PCT

23-LS0058AS  
Craver  
2/17/04

CS FOR HOUSE BILL NO. 15( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES FATE, Gara, Chenault, Crawford, Kerttula, Croft, Seaton, Hawker,  
Wilson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to fair trade practices and consumer protection, to telephone  
2 solicitations, to charitable solicitations; and providing for an effective date."

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

4 \* Section 1. AS 45.50.471(b)(35) is amended to read:

5 (35) violating AS 45.63 ([TELEPHONIC] solicitations by telephonic  
6 means);

7 \* Sec. 2. AS 45.50.475(a) is amended to read:

8 (a) A person is in violation of AS 45.50.471(b)(41) if the person

9 (1) engages in the telephone solicitation of a residential telephone  
10 customer of a telecommunications company and the customer is identified in the  
11 telephone directory as not wishing to receive telephone solicitations; [OR]

12 (2) engages in the telephone solicitation of a customer whose  
13 telephone number has been registered with the national do not call registry for at  
14 least 90 days before the date the call is made;

*the*  
*minimum amount of time required by the national do not call*  
*registry*



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(3) engages in telephone solicitation of a customer who has previously communicated to the telephone solicitor, or to the business enterprise or charitable organization for which the person is calling, the customer's desire not to receive telephone solicitations to that number; or

(4) originates a telephone call using an automated or recorded message as a telephonic advertisement or a telephone solicitation.

\* Sec. 3. AS 45.50.475(d) is amended to read:

(d) A person who employs individuals to engage in telephone solicitations is not liable for a [THE] violation of (a)(1) - (3) of this section [IF AN EMPLOYEE SOLICITS A RESIDENTIAL TELEPHONE CUSTOMER WHO IS IDENTIFIED IN THE TELEPHONE DIRECTORY AS NOT WISHING TO RECEIVE TELEPHONE SOLICITATIONS] if the person establishes [ESTABLISHED] that

(1) the person has adopted and implemented written procedures and policies to comply with (a)(1) - (3) [(a)] of this section, including corrective actions if [WHERE] appropriate;

(2) the person has trained its personnel in the procedures and policies established under (1) of this subsection;

(3) the call that violated (a)(1) - (3) of this section was made contrary to the procedures and policies established by the person; and

(4) the call that violated (a)(1) - (3) of this section was made in <sup>as</sup> good-faith <sup>a result of a good faith error</sup> [CALLS ON BEHALF OF THE PERSON THAT RESULT IN VIOLATIONS OF THIS SECTION ARE INFREQUENT].

\* Sec. 4. AS 45.50.475(e) is amended to read:

(e) An individual who solicits a [RESIDENTIAL] telephone customer in violation of (a)(1) - (3) of this section, [WHO IS IDENTIFIED IN THE TELEPHONE DIRECTORY AS NOT WISHING TO RECEIVE TELEPHONE SOLICITATIONS] is not liable for the violation [OF THIS SECTION] if the individual establishes that the individual did not intend to make a call in violation of this section and did not recklessly disregard information or policies and procedures that would have avoided the improper call.

\* Sec. 5. AS 45.50.475(f) is amended to read:

1 (f) Local exchange telecommunications companies shall inform  
2 [RESIDENTIAL] customers of the provisions of this section. Notification shall  
3 [MAY] be made by

4 (1) quarterly [ANNUAL] inserts in the billing statements mailed to  
5 [RESIDENTIAL] customers; and [OR]

6 (2) clear and conspicuous publication of the notice in the consumer  
7 information pages of local telephone directories.

8 \* Sec. 6. AS 45.50.475(g)(2) is amended to read:

9 (2) "customer" means a [RESIDENTIAL] telephone customer of a  
10 telecommunications company;

11 \* Sec. 7. AS 45.50.475(g)(3) is amended to read:

12 (3) "telephone solicitation"

13 (A) means the solicitation by a person by telephone of a  
14 customer at the residence of the customer for the purpose of encouraging the  
15 customer to purchase property, goods, or services, or make a donation;

16 (B) does not include

17 (i) calls made in response to a request or inquiry by the  
18 called customer or communication made during a call made by the  
19 customer;

20 (ii) calls made by a charitable organization [, A  
21 PUBLIC AGENCY,] or volunteers on behalf of the charitable  
22 organization [OR PUBLIC AGENCY] to a member [MEMBERS] of  
23 the organization [OR AGENCY] or to a person [PERSONS] who,  
24 within the last 18 [24] months, has [HAVE] made a donation to the  
25 organization [OR AGENCY] or expressed an interest in making a  
26 donation, but only if the charitable organization has not received a  
27 request from the member or person asking that the telephone  
28 solicitations cease;

29 (iii) calls limited to soliciting the expression of ideas,  
30 opinions, or votes;

31 (iv) business-to-business calls; or

1 (v) a person soliciting business from prospective  
2 purchasers who have, within the last 18 [24] months, purchased from  
3 the person making the solicitation or from the business enterprise for  
4 which the person is calling but only if the person or business enterprise  
5 has not received a [WRITTEN] request from the prospective purchaser  
6 asking that telephone solicitations cease; the person or business  
7 enterprise is presumed to have received a written request no later than  
8 10 days after the prospective purchaser mailed it, properly addressed  
9 and with the appropriate postage.

10 \* Sec. 8. AS 45.50.475(g) is amended by adding a new paragraph to read:

11 (4) "national do not call registry" means the data base of telephone  
12 numbers of customers who do not wish to receive telephone solicitations established  
13 and maintained by the Federal Trade Commission and Federal Communications  
14 Commission.

15 \* Sec. 9. AS 45.50.561(a) is amended by adding a new paragraph to read:

16 (12) "goods or services" includes goods or services provided in  
17 connection with a consumer credit transaction or with a transaction involving an  
18 indebtedness secured by the borrower's residence.

19 \* Sec. 10. AS 45.63.010(a) is amended to read:

20 (a) A person may not sell or attempt to sell property or services by telephonic  
21 means if the person makes substantially the same offer on substantially the same terms  
22 to two or more persons, unless the telephone [TELEPHONIC] seller is registered with  
23 the Department of Law at least 30 days before the solicitation campaign.

24 \* Sec. 11. AS 45.63.010(c) is amended to read:

25 (c) Registration under (b) of this section is not complete until the telephone  
26 [TELEPHONIC] seller receives an acknowledgement from the department that the  
27 seller has complied with (b) of this section.

28 \* Sec. 12. AS 45.63.010(d) is amended to read:

29 (d) The notice of intent must be on a form or in a format provided and  
30 established by the department by regulation. The department may require the  
31 notice of intent to be submitted under oath or affirmation or with notice that

1 false statements made are punishable as unsworn falsification under  
2 AS 11.56.210. The notice of intent must include detailed information about the nature  
3 of the solicitation campaign and the identity and business practices of the telephone  
4 [TELEPHONIC] seller, including information on the employees, agents, and officers  
5 affiliated with the telephone [TELEPHONIC] seller. The notice of intent must  
6 disclose criminal convictions, civil judgments, orders, consent decrees, or  
7 administrative determinations involving allegations of unfair or deceptive business  
8 practices by the telephone [TELEPHONIC] seller.

9 \* Sec. 13. AS 45.63 is amended by adding a new section to read:

10 Sec. 45.63.015. Registration fees. Each separate registration filed under  
11 AS 45.63.010(b) must be accompanied by a registration fee. The department shall  
12 establish the amount of the fee by regulation. The fees required by this section are  
13 nonrefundable and shall be deposited in the general fund.

14 \* Sec. 14. AS 45.63.020 is amended to read:

15 Sec. 45.63.020. Written contract required. Until a telephone  
16 [TELEPHONIC] seller receives from a buyer a signed, written contract for the  
17 purchase, the telephone [TELEPHONIC] seller may not solicit payment for the  
18 purchase, charge a credit card account for the purchase, negotiate a check or other  
19 commercial instrument intended for payment of the purchase, or accept a cash  
20 payment for the purchase. The written contract must notify the buyer of the rights of  
21 the buyer under AS 45.63.030(a) and disclose the information required by the  
22 department by regulation.

23 \* Sec. 15. AS 45.63.030(a) is amended to read:

24 (a) Notwithstanding AS 45.01 - AS 45.08, AS 45.12, AS 45.14, and AS 45.29  
25 (Uniform Commercial Code), a telephone [TELEPHONIC] seller shall give the buyer  
26 a refund, credit, or replacement, at the option of the buyer, if

27 (1) the property or services purchased are defective, not as represented,  
28 or not received as promised by the seller;

29 (2) within seven days after receiving the purchased property, the buyer  
30 returns the purchased property and makes a written request for the refund, credit, or  
31 replacement; or

1 (3) within seven days after paying for the purchased services and  
2 before the services are provided, the buyer makes a written request for the refund or  
3 credit.

4 \* Sec. 16. AS 45.63.030(c) is amended to read:

5 (c) Notwithstanding AS 45.01 - AS 45.08, AS 45.12, AS 45.14, and AS 45.29  
6 (Uniform Commercial Code), a purchase of property from a telephone  
7 [TELEPHONIC] seller becomes final seven days after receipt of the property, unless  
8 the buyer requests a refund, credit, or replacement under (a) of this section, or the  
9 telephone [TELEPHONIC] seller fails to obtain the contract required by  
10 AS 45.63.020.

11 \* Sec. 17. AS 45.63.030(d) is amended to read:

12 (d) A purchase of services from a telephone [TELEPHONIC] seller becomes  
13 final seven days after receipt of the contract required by AS 45.63.020, unless the  
14 buyer requests a refund or credit under (a) of this section.

15 \* Sec. 18. AS 45.63.040 is amended to read:

16 **Sec. 45.63.040. Prohibited representations.** (a) Unless the telephone  
17 [TELEPHONIC] seller is asked for the information by the buyer, the seller may not  
18 state or imply that the seller has a license, consent, or other form of permission from  
19 the state.

20 (b) A telephone [TELEPHONIC] seller may not state or imply that

21 (1) the seller is complying with state law; or

22 (2) the seller's compliance with the laws of this state or a municipality  
23 constitutes approval or endorsement by the state or municipality.

24 \* Sec. 19. AS 45.63 is amended by adding a new section to read:

25 **Sec. 45.63.045. Required representations; prohibitions.** (a) A telephone  
26 seller shall

27 (1) within the first 15 seconds of a call and in a clear and conspicuous  
28 manner, disclose the registered seller's name and telephone number, whom the  
29 registered seller represents, and that the call is a sales call; and

30 (2) repeat the information at any time during the conversation if  
31 requested by a person at the number called.

1 (b) A telephone seller must terminate the telephone solicitation and promptly  
 2 disconnect the telephone line if the person receiving the call objects to the solicitation  
 3 or indicates that the person is not interested in the product or service that is the subject  
 4 of the solicitation.

5 (c) A telephone seller who makes a telephonic solicitation may not cause a  
 6 telephone to ring repeatedly or continuously with the intent to annoy, abuse, or harass  
 7 a person at the telephone number called or engage a person in a telephone  
 8 conversation repeatedly.

9 \* Sec. 20. AS 45.63.050 is amended to read:

10 **Sec. 45.63.050. Waiver prohibited and void.** A telephone [TELEPHONIC]  
 11 seller may not request or obtain from a buyer a waiver of the rights of the buyer under  
 12 this chapter. A waiver of the rights of a buyer under this chapter is void.

13 \* Sec. 21. AS 45.63.080 is amended to read:

14 **Sec. 45.63.080. Exemptions.** ~~This chapter does~~ not apply to a sale or  
 15 attempted sale *AS 45.63.010, 45.63.015, 45.63.015, 45.63.020,  
 and AS 45.63.030(c) and (d) do*

16 (1) of a security regulated under AS 45.55 or a security that is  
 17 exempted by AS 45.55.900 from regulation under AS 45.55;

18 (2) by a person registered with the United States Securities and  
 19 Exchange Commission when acting within the scope of the person's Securities and  
 20 Exchange Commission license;

21 (3) by an issuer, or a subsidiary of an issuer, of a class of securities that  
 22 is

23 (A) subject to 15 U.S.C. 78a - 78lll (Securities Exchange Act of  
 24 1934); and

25 (B) either registered under 15 U.S.C. 78a - 78lll (Securities  
 26 Exchange Act of 1934) or exempt from registration under 15 U.S.C.  
 27 78l(g)(2)(A) - (C) or (E) - (H);

28 (4) by a real estate broker, associate real estate broker, or real estate  
 29 salesperson licensed under AS 08.88 and acting in a capacity covered by the license;

30 (5) by a person who has a certificate of registration under AS 08.18 to  
 31 operate as a contractor and is acting in a capacity covered by the certificate of

1 registration;

2 (6) by an embalmer or funeral director licensed under AS 08.42 and  
3 acting in a capacity covered by the license;

4 (7) by an insurance agent, general agent, broker, solicitor, or adjuster  
5 licensed under AS 21.27 and acting in a capacity covered by the license;

6 (8) by a person who is primarily soliciting the sale of a subscription to,  
7 or advertising in, a newspaper of general circulation;

8 (9) by a charitable organization or paid solicitor if the organization or  
9 solicitor is registered to make charitable solicitations under AS 45.68 and is acting in a  
10 capacity that is covered by the registration;

11 (10) by a person who is primarily soliciting the sale of a  
12 [MAGAZINE, PERIODICAL, SOUND RECORDING, BOOK, OR] membership in a  
13 book or record club

14 (A) where the club provides the buyer with a form that the  
15 buyer may use to instruct the club not to ship the offered merchandise; and

16 (B) that is regulated by the Federal Trade Commission as a  
17 negative option plan under 16 C.F.R. [CFR] 425;

18 (11) of services provided by a cable television system operating under  
19 a franchise issued by a municipality;

20 (12) by a person who is soliciting for a business, or for an affiliate of a  
21 business, that is regulated by the Regulatory Commission of Alaska;

22 (13) by a person whose solicitation is solely for telephone answering  
23 services provided by the person or the person's employer;

24 (14) of property from a mail order catalog that is published on a  
25 regular, periodic basis and that describes or pictures the items for sale and prominently  
26 provides the specific price of each item;

27 (15) by a supervised financial institution or the parent, subsidiary, or  
28 affiliate of a supervised financial institution; in this paragraph, "supervised financial  
29 institution" means a commercial bank, savings bank, mutual savings bank, trust  
30 company, savings and loan association, credit union, industrial loan company,  
31 personal property broker, consumer finance lender, commercial finance lender, or

1 other financial institution if the financial institution is subject to regulation by this  
2 state or the United States;

3 (16) by an insurer or the parent, subsidiary, or affiliate of an insurer;

4 (17) by a person who solicits a sale by a contact by telephonic means  
5 without intending to complete the sales presentation during the contact, who does not  
6 complete the sales presentation during the contact, and who only completes the sales  
7 presentation at a later meeting in person, unless at the later meeting the solicitor  
8 attempts to collect payment for property or services delivered before the later meeting;

9 (18) of an item of personal property, including a food product, that is  
10 made by hand by an individual, if the sale or attempted sale of the item is made by the  
11 individual who made the item; in this paragraph, "made by hand" includes the use of  
12 ordinary household devices if the majority of the value of the item is added by the  
13 labor of the individual.

14 \* Sec. 22. AS 45.63.100(1) is amended to read:

15 (1) "buyer" means a person who buys from or is solicited by a  
16 [TELEPHONIC] seller by telephonic means;

17 \* Sec. 23. AS 45.63.100 is amended by adding a new paragraph to read:

18 (7) "telephone seller" means a person who is required to be registered  
19 under AS 45.63.010.

20 \* Sec. 24. AS 45.66.020(b) is amended to read:

21 (b) The department shall establish by regulation the application forms for  
22 registrations under this chapter. The application forms must require the submission of  
23 the following information:

24 (1) the nature of the business opportunity and the method by which it  
25 will be offered, advertised, or promoted;

26 (2) the identity and business practices of the person who will be the  
27 seller, including information on a related person; and

28 (3) a disclosure of criminal convictions, civil judgments, orders,  
29 consent decrees, and administrative determinations involving allegations of

30 (A) fraud, theft, embezzlement, fraudulent conversion,  
31 misappropriation of property, the use of untrue or misleading representations in



1 an attempt to sell or dispose of real or personal property, violations of this  
 2 chapter, violations of AS 45.63 ([TELEPHONIC] solicitations by telephonic  
 3 means), violations of AS 45.68 (charitable solicitations), or unfair or deceptive  
 4 business practices under AS 45.50.471 - 45.50.561, or a substantially similar  
 5 law of another jurisdiction, by the person who will be the seller or by a related  
 6 person; or

7 (B) a violation of securities or investment laws by the person  
 8 who will be the seller or by a related person.

9 \* Sec. 25. AS 45.66.200(a) is amended to read:

10 (a) Subject to the other requirements of this section and after reviewing a  
 11 response submitted by the person under (b) of this section, the department may issue  
 12 an order denying, suspending, or revoking a registration or renewal of a registration  
 13 made by a person under AS 45.66.010 - 45.66.030, or prohibiting a person from  
 14 selling or offering to sell business opportunities, if the department finds that

15 (1) the person failed to comply with this chapter or the regulations  
 16 adopted under this chapter;

17 (2) the sale or offer to sell would constitute, or has constituted, a  
 18 misrepresentation of, deceit of, or fraud on the buyer;

19 (3) the nature of the person's business enterprise or method of business  
 20 or the nature or method of the business opportunity includes activities that are illegal  
 21 where performed;

22 (4) the person failed to file a document, information, fee, or bond  
 23 required by AS 45.66.010 - 45.66.060;

24 (5) the literature or advertising of the person or of another person  
 25 recommended by the person is misleading, incorrect, materially incomplete, or  
 26 deceptive;

27 (6) a person identified in the registration represents an unreasonable  
 28 risk to the public interest and

29 (A) has been convicted of

30 (i) a felony or misdemeanor involving fraud, theft,  
 31 embezzlement, fraudulent conversion, misappropriation of property, or

1 the use of untrue or misleading representations in the sale of or offer to  
2 sell or otherwise dispose of real or personal property;

3 (ii) violations under this chapter, violations of AS 45.63  
4 ([TELEPHONIC] solicitations by telephonic means), violations of  
5 AS 45.68 (charitable solicitations), or an unfair trade practice  
6 prohibited by AS 45.50.471 - 45.50.561, or a substantially similar law  
7 of another jurisdiction; or

8 (iii) a violation of securities or investment laws;

9 (B) is subject to a final order or judgment against the person in  
10 a civil or administrative action, including a stipulated order or judgment, if the  
11 complaint or petition in the action alleged acts constituting

12 (i) a violation of this chapter or a substantially similar  
13 law of another jurisdiction;

14 (ii) fraud, theft, embezzlement, fraudulent conversion,  
15 or misappropriation of real or personal property;

16 (iii) the use of untrue or misleading representations in  
17 an offer to sell or dispose of real or personal property;

18 (iv) the use of unfair trade practices under  
19 AS 45.50.471 - 45.50.561 or a substantially similar law of another  
20 jurisdiction;

21 (v) a violation of AS 45.63 or AS 45.68, or a  
22 substantially similar law of another jurisdiction; or

23 (vi) a violation of securities or investment laws;

24 (C) is subject to an injunction relating to business activity if the  
25 injunction resulted from an action brought by a federal, state, or local public  
26 agency, including an action related to an occupational license under AS 08.

27 \* Sec. 26. AS 45.66.230(b) is amended to read:

28 (b) To the extent of the conflict, the provisions of this chapter govern if a sale  
29 of or an offer to sell a business opportunity is regulated by this chapter and by  
30 AS 45.63 ([TELEPHONIC] solicitations by telephonic means), by AS 45.01 -  
31 AS 45.08, AS 45.12, AS 45.14, and AS 45.29 (Uniform Commercial Code), or by

1 another law, and it is not possible to comply with or to apply both this chapter and the  
2 other law.

3 \* Sec. 27. AS 45.68.010(c) is amended to read:

4 (c) To register under this section, a charitable organization or paid solicitor  
5 shall file with the department

6 (1) a registration statement on a form or in a format provided and  
7 established by the department by regulation; and

8 (2) in the case of a paid solicitor, a bond in the amount and under the  
9 conditions established by the department by regulation.

10 \* Sec. 28. AS 45.68.010 is amended by adding new subsections to read:

11 (f) The department may require the registration and registration renewal  
12 statement required under (c)(1) and (d) of this section to be submitted

13 (1) under oath or affirmation; or

14 (2) with notice that false statements made in the statement are  
15 punishable as unsworn falsification under AS 11.56.210.

16 (g) A person may not knowingly provide false statements in documents  
17 required by this chapter, including a

18 (1) registration statement;

19 (2) registration renewal statement;

20 (3) report of material change in information required in the registration  
21 statement; or

22 (4) financial report by a paid solicitor.

23 \* Sec. 29. AS 45.68 is amended by adding a new section to read:

24 **Sec. 45.68.015. Registration fees.** The registration statement and registration  
25 renewal statement filed under AS 45.68.010(c)(1) and (d) must be accompanied by a  
26 registration or registration renewal fee. The department shall establish the amount of  
27 the fee by regulation. The fees required by this section are nonrefundable and shall be  
28 deposited in the general fund.

29 \* Sec. 30. AS 45.68 is amended by adding a new section to read:

30 **Sec. 45.68.055. Paid solicitor financial reports.** (a) Within 90 days after a  
31 solicitation campaign is completed and, if a solicitation campaign lasts more than one

1 year, on the one-year anniversary of the commencement of the campaign, a paid  
2 solicitor shall file with the department a financial report in accordance with this  
3 section.

4 (b) The financial report must

5 (1) be submitted on a form or in a format provided and established by  
6 the department of regulation;

7 (2) include gross revenue and an itemization of all expenses incurred  
8 in the solicitation campaign during the reporting period; and

9 (3) be signed by two authorized officials of the charitable organization.

10 (c) The authorized contracting agent for the paid solicitor shall sign the report  
11 required by (b) of this section. Signature of the report under this subsection must be  
12 made under oath or affirmation, but submission of false information in a notice that is  
13 not signed under oath or affirmation is punishable as an unsworn falsification under  
14 AS 11.56.210.

15 \* Sec. 31. AS 45.68.060 is amended to read:

16 Sec. 45.68.060. Public records. The registration statement, registration  
17 renewal statement, financial reports of paid solicitors, contracts, and other  
18 documents required to be filed with the department under this chapter are public  
19 records available for inspection and copying under AS 40.25.110 - 40.25.220.

20 \* Sec. 32. AS 45.68.900 is amended by adding a new paragraph to read:

21 (7) "solicitation campaign" means soliciting contributions of money or  
22 other property from two or more persons for the same charitable organization.

23 \* Sec. 33. AS 45.63.100(6) is repealed.

24 \* Sec. 34. AS 45.50.475(a)(1) and 45.50.475(c) are repealed.

25 \* Sec. 35. The uncodified law of the State of Alaska is amended by adding a new section to  
26 read:

27 APPLICABILITY. (a) On and after July 1, 2004, the amendments found in the  
28 following sections of this Act apply to filings with the Department of Law:

29 (1) secs. 12 and 13 of this Act regarding the notice of intent to engage in a  
30 solicitation campaign under AS 45.63.010; and

31 (2) secs. 27 - 29 of this Act regarding registration statements and registration

1 renewal statements under AS 45.68.010.

2 (b) Sections 30 and 31 of this Act apply to solicitation campaigns, as defined in  
3 AS 45.68.900, as amended by sec. 32 of this Act, that commence on or after July 1, 2004.

4 \* Sec. 36. The uncodified law of the State of Alaska is amended by adding a new section to  
5 read:

6 TRANSITIONAL PROVISIONS: REGULATIONS. Notwithstanding sec. 39 of this  
7 Act, the attorney general may proceed to adopt regulations necessary to implement the  
8 changes made by secs. 12, 13, 21, 27 - 30, and 32 of this Act. The regulations take effect  
9 under AS 44.62 (Administrative Procedure Act), but not before the effective date of secs. 1 -  
10 33 of this Act.

11 \* Sec. 37. Section 36 of this Act takes effect immediately under AS 01.10.070(c).

12 \* Sec. 38. Section 34 of this Act takes effect the day after the date on which the attorney  
13 general notifies the governor and the revisor of statutes that the national do not call registry is  
14 established and enforced by the Federal Trade Commission and the Federal Communications  
15 Commission.

16 \* Sec. 39. Sections 1 - 33 and 35 of this Act take effect July 1, 2004.

FOR IMMEDIATE RELEASE

CONTACT: David Schneier, 202-434-2561

AARP REACTION STATEMENT ON NATIONAL DO NOT CALL LIST RULING

AARP is very pleased with the Tenth Circuit's ruling today in upholding the constitutionality of the National Do Not Call Registry. The ruling of the court adheres closely to the AARP amicus brief filed in support of the do not call legislation.

This ruling affirms the long and hard campaign that AARP has waged at the state and national level to put control of the telephone back where it belongs – with the consumer.

AARP's survey of older telemarketing fraud victims revealed they find it almost impossible to tell the difference between fraudulent and legitimate sales calls, underscoring the importance of allowing them to stop calls in the first place.

"Baby boomers have been called the most savvy and informed consumers of any generation of Americans," said AARP Foundation Litigation senior attorney Deborah Zuckerman. "Yet many of them, like their parents and their children, have been victims of an unrelenting deluge of unwanted telemarketing sales calls."

AARP will continue to advocate for state laws that compliment the federal rule in scope and jurisdiction.

# # #

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## Alaska State Legislature



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### House of Representatives Sponsor Statement CS for HB 15

**"An Act relating to fair trade practices and consumer protection; relating to telephonic solicitations; relating to charitable solicitations; and providing for an effective date."**

Committee Substitute for House Bill 15 is a combined effort of the Department of Law and our office to assure a quieter dinner hour for Alaskans. When HB 15 was introduced the intent was to bring responsibility to the telemarketing industry and give Alaskans an opportunity to sign up for a no-call list. While we were working on the bill, Congress was working on similar language for the nation. H.R. 395 was passed into law, regulations have been promulgated and the National No-Call list is in effect.

The CS version of HB 15 is language that will complete the process for Alaska. It supplements the federal law by making specific some of the language geared for a nation, rather than a state. Further, it establishes specific guidelines for telemarketers operating in state. Those guidelines include a registration fees, how telemarketers are expected to identify themselves, financial reports, and allows the Department of Law to establish penalties for non-compliance.

CS for HB 15 will accomplish what the original version sought to do, without the need for Alaskans to sign up again in state. It sends a clear message to telemarketers that these people do not wish to be called, and that there are consequences for non-compliance. It strengthens statutory language and assures Alaskans that we agree the phone should only ring during the dinner hours when it is someone we want to talk too.

# ALASKA STATE LEGISLATURE

## House of Representatives

Representative Hugh (Bud) Fate

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Co-Chair Resources  
Member:  
*Military & Veterans Affairs*  
*Oil & Gas*  
*Transportation*

### Sponsor Statement

#### CS for House Bill 15 (STA)

**“An Act relating to establishing the Alaska No-Call List, a data base of residential telephone customers who do not wish to receive telephonic solicitations; requiring telephonic sellers and paid solicitors to purchase the data base; requiring telephonic sellers to identify themselves; requiring telephonic solicitors who are otherwise exempt from registration as telephonic solicitors to file with the Department of Law and pay the data base access fee; and providing for an effective date.”**

House Bill 15 comes before the legislature because Alaska is no longer exempt from the annoying telephone calls, usually during inconvenient hours, asking our citizens, especially seniors to buy something. During the past few years this industry has grown across the nation with offers to buy everything from vacation homes to stocks. Many of us have also heard about the growing scam-market, stealing life savings from senior citizens or others who are taken in by slick talking charlatans.

House Bill 15 allows our constituents to reduce the number of calls from telephone solicitors by adding their phone numbers to the Alaska No-Call List, a data base of those wishing not to be disturbed. The bill requires that businesses wanting to conduct telephone soliciting in Alaska to register and purchase the data base list from the state. The Alaska No-Call Bill also establishes a system in which individuals who are contacted, in violation of this bill will be able to easily file a complaint.

The Alaska No-Call bill does not end all forms of telephone soliciting. For many years, our non-profits have used the telephone, asking for donations or offering tickets to various concerts. This will not end because for many of these organizations the phone call is the most valuable donation resource available. These non-profits will be able to continue. Likewise, businesses with established data bases built on prior customer contact will be limited but not be prevented from calling their customers.

House Bill 15 will begin the process of eliminating those unsolicited phone calls asking you about your mortgage rate or if you want aluminum siding. Along with the regulations that will be promulgated, perhaps by next year at this time Alaskans will once again be able to sit down at the dinner table without the interruption of answering the phone, only to hear a complete stranger on the other end.



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## Alaska State Legislature



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### House of Representatives Sectional Analysis

#### CS for HB 15

**"An Act relating to fair trade practices and consumer protection; relating to telephonic solicitations; relating to charitable solicitations; and providing for an effective date."**

##### Section 1

Changes telephonic to telephonic means. This change is throughout the bill and expands the language to include other forms of communication using telephone lines.

##### Section 2

Identifies the existence of a national do not call registry and that Alaskans on that list are not to be called.

##### Section 3

References to Section 2 and allows for a good faith error on the part of the solicitor.

##### Section 4

The no-call policy is expanded to all telephone numbers that are registered. Also referenced is a release from liability for the caller if the call was unintended and did not represent a reckless disregard.

##### Section 5

Establishes a notification policy for local phone companies to pass along to their customers. The notice will be in the annual phone directory and as an insert in the phone book each quarter.

##### Section 6

Defines customer to include more than residential

**Section 7**

Defines telephone solicitation and cites exemptions and specifics for previous contacts, charities, businesses, polls and political ideas.

**Section 8**

Defines National do not call registry

**Section 9**

Defines goods and services and includes solicitations by credit organizations offering financing arrangements

**Section 10**

A telephone seller may not operate in the state without registering 30 days in advance with the Department of Law

**Section 11**

Further requires a telephone seller not to operate in the state without receiving acknowledgement from the department that they have registered.

**(b) To register under (a) of this section, a person shall file with the department (emphasis added)**

**Section 12**

Establishes a format for the notice of intent, which must be filed, and that, at the department's discretion that intent may have to be submitted under oath or affirmation. It requires the telephone seller to detail the campaign and whether the seller has or is involved in criminal, administrative, or civil action.

**Section 13**

Allows the Department to establish fees for registration.

**Section 14**

Requires that a written, signed contract must be received by the telephone seller, from the buyer before any charges can be assessed the buyer. The telephone seller must notify the buyer of their rights.

**Section 15**

Refund and replacement language if the product is not as promised, provided that the buyer returns the product and asks within seven days of receipt.

**Section 16**

Telephone sales become final seven days after receipt of the product and exceptions.

**Section 17**

Telephone sales for a service becomes final seven days after delivery and exceptions.

**Section 18**

Telephone sellers may not represent themselves as licensed in Alaska if they are not nor may they claim that license as an endorsement by the state or municipality.

**Section 19**

Requires telemarketers to identify themselves when calling, forces them to hang up if the person indicates they are not interested in the goods or service, and prevents them from harassing a person.

**Section 20**

Prevents a telephone seller from requesting a waiver from the buyer of the buyer's rights.

**Section 21**

Lists the exemptions in current statute. Makes a technical correction. The list of exemptions includes: security sales, real estate brokers, contractors, funeral directors, insurance agents, advertising representatives, charitable organizations, magazine or record sales, cable television, businesses regulated by the R.C.A., telephone answering services, mail order catalog, supervised financial institutions, solicitors that do not intend to make the sale via telephone and makers of hand made items made by the individual.

**Section 22**

Defines buyer

**Section 23**

Defines telephone seller

**Section 24**

Adds telephonic means to existing language and details what must be included as part of the registration or re registration forms.

**Section 25**

Adds telephonic means to existing language which defines reasons for the department not to issue a or to suspend a license.

**Section 26**

Adds telephonic means to existing language in another section of statute

**Section 27**

Allows the department to use either a form or a format for registration

**Section 28**

The Department may require additional information of the telephone seller than is on the registration or renewal form and may require oath or affirmation.

**Section 29**

Allows the Department to establish registration fees for the permit which must be filed with the registration forms.

**Section 30**

Establishes reporting requirements for each solicitation campaign including financial information.

**Section 31**

Makes all reports in reference to telemarketers public information

**Section 32**

Defines solicitation campaign as contacting two or more people

**Section 33 & 34**

Emphasis added language is repealed

**Sec. 45.63.100. Definitions.**

(6) "telephonic seller" means a person who is required to be registered under AS 45.63.010

**Sec. 45.50.475. Unlawful, unwanted telephone advertisements and solicitations.**

(a) A person is in violation of AS 45.50.471 (b)(41) if the person

(1) engages in the telephone solicitation of a residential telephone customer of a telecommunications company and the customer is identified in the telephone directory as not wishing to receive telephone solicitations; or

(c) A local exchange telecommunications company shall, upon request, provide to a person who engages in telephone solicitation a list of all telephone numbers identified in the telephone directory as residential customers who do not wish to receive telephone solicitations. If possible and if requested by the person who engages in telephone solicitations, this list shall be provided in computer readable format. The local exchange telephone company may impose a reasonable charge for the list. The charge shall be based on the cost of providing the list and is subject to the approval of the Regulatory Commission of Alaska. (emphasis added)

**Section 35**

Effective dates for various Sections of the Bill

**Section 36**

Allows the department to begin the regulation process to take effect when the statute becomes law.

**Section 37-39**

Effective dates for various Sections of the Bill

February 18, 2004

## Do-Not-Call Registry for Telemarketing Upheld in Court

By DAVID STOUT

WASHINGTON, Feb. 17 - A federal appeals court on Tuesday upheld the government's right to help people shield themselves from unwanted telemarketing calls.

A panel of the United States Court of Appeals for the Tenth Circuit in Denver ruled that a do-not-call registry created by the federal government last fall helped to combat abusive telemarketing and "prevents the invasion of consumer privacy."

"The challenged regulations do not hinder any business's ability to contact consumers by other means, such as through direct mailings or other forms of advertising," the ruling said.

The telemarketing industry said it was considering an appeal to the United States Supreme Court. But the Supreme Court may not feel the need to take the case because it does not involve any conflicts among circuit courts, said Gregory A. Castanias, a Washington lawyer who specializes in appeals involving constitutional issues and technology law.

The chairman of the Federal Trade Commission, Timothy J. Muris, said Tuesday that the do-not-call registry had been very successful and that "we are pleased that this popular program, like America's dinner hour, will not be interrupted."

H. Robert Wientzen, president and chief executive of the Direct Marketing Association, which represents nearly 5,000 companies in the United States and elsewhere, said an appeal to the full Tenth Circuit or to the Supreme Court was possible. Meanwhile, he said, his group will follow the voluntary policy it has had for 18 years: "If people don't want to be called, we don't want to call them."

Since the F.T.C. and the Federal Communications Commission established the registry last fall, it has grown enormously. It now includes more than 50 million telephone numbers.

Telemarketing interests have maintained that the calls are a legitimate business technique, and that the new federal regulations could cost as many as 2 million jobs in an industry that now has 6.5 million workers. But the court was not swayed. "Just as a consumer can avoid door-to-door peddlers by placing a 'no solicitation' sign in his or her front yard, the do-not-call registry lets consumers avoid unwanted sales pitches that invade the home via telephone," Judge David M. Ebel wrote.

The appeals court set aside a ruling by Federal District Judge Edward W. Nottingham of Denver, who had found that the list violated the right to free speech. The appeals court said that the First Amendment did not prevent the government from giving consumers the do-not-call option. It had allowed the government to enforce the program pending the outcome of the case decided Tuesday.

The ruling combined the government's appeal of Judge Nottingham's decision with two related cases. One was a case brought against the Federal Communications Commission by Denver telemarketers, and the other was an appeal by the Federal Trade Commission of an Oklahoma ruling that said it had no authority to create and enforce a do-not-call list.



February 19, 2004

The Honorable John Harris, Co-Chair  
House Finance Committee  
Alaska Capitol, Room 507  
Juneau, AK 99801-1182

The Honorable Bill Williams, Co-Chair  
House Finance Committee  
Alaska Capitol, Room 515  
Juneau, AK 99801-118

RE: HB 15 (Fate)—Support If Amended; Oppose Unless Amended

Dear Co-Chairs Harris and Williams:

On behalf of the AARP members in Alaska, we encourage you and your colleagues on the House Finance Committee to support HB 15, authored by your Committee colleague Representative Bud Rate and co-sponsored by Representatives Gara, Chenault, Crawford, Kerttula, Croft, Seaton, Hawker and Wilson.

**Well over half the number of people targeted by telemarketers each day are age 50 and over – and many of them are your own constituents.**

#### **AARP's perspective:**

Two days ago the Federal Tenth Circuit Court ruled in favor of upholding the constitutionality of the National Do Not Call Registry. AARP filed an amicus brief to support the recently enacted federal legislation.

This court ruling affirms the long campaign AARP waged in Congress to put control of the telephone back where it belongs—with the consumer.

AARP's survey of older telemarketing fraud victims revealed they find it almost impossible to tell the difference between fraudulent and legitimate sales calls, underscoring the importance of allowing the consumer to stop calls in the first place.

Even though baby boomers have been called the most savvy and informed consumers of any generation of Americans, many of them, like their parents and their children, have been victims of an unrelenting deluge of unwanted telemarketing sales calls.

The FTC does not regulate intrastate calls. The FTC Chair has explained that it is very hard to predict how many calls the new federal registry will prevent, as telemarketers may establish in-state call centers to avoid the federal law. Therefore, state law is crucial to cover any Alaska-originated calls.

The FTC has no jurisdiction over common carriers (such as long-distance companies or airlines), banks, credit unions, or insurance companies. There is no limitation on the states to regulate these calls and state law is needed to address the exemptions to the FTC rule.

In addition, telephone calls soliciting money for charitable institutions or political organizations are not covered by the Telemarketing Sales Rule. Alaska has the authority to regulate these types of solicitations should the Legislature decide to include them.

Realistically, it may be difficult to have comprehensive federal enforcement of a national Do Not Call law covering millions of people, given the relatively small size of the FTC's staff devoted to this issue and the resources available to fight abuse of consumers. Alaska is in a much better position to detect, deter, and prosecute Do Not Call violations. AARP believes a state law that is enforceable in state court is essential to give the law some needed teeth. Without a state statute, some telemarketers may not have a strong incentive to carefully monitor, update, and follow Do Not Call lists.

It should be much more cost-effective for Alaska to enact a Do Not Call law in 2004 since we will not have to bear the expense of collecting, updating, and disseminating the Do Not Call list. The FTC will allow consumers to register free-of-charge and will use a sliding scale to charge telemarketers for access to the list.

However, AARP is very concerned about the large number of exemptions in the most recent work draft we have seen. Among the exemptions are:

- Anyone selling securities
- Real estate brokers
- Contractors



- **Funeral directors and embalmers**
- **Insurance agents**
- **Newspaper salesmen**
- **Charitable organizations**
- **Magazine salesmen**
- **Book salesmen**
- **Sound Recording salesmen**
- **Cable television companies**
- **Mail order catalogs**
- **Any type of financial institution**
- **Anyone soliciting for a business regulated by the RCA (all utilities)**
- **Handcrafted materials**

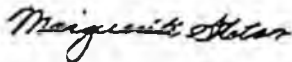
If all these exemptions are left in the bill, AARP will not only not support HB 15 but we will actively oppose it and draw as much public attention to the exemptions as possible. HB 15 with all these exemptions defeats the whole purpose of a state-based Do Not Call bill. Other states have done a fine job defending their constituents who wish to be left in peace. Alaska constituents deserve no less.

AARP recommends an "AYE" vote on HB 15, if amended to limit the exemptions. If the exemptions remain, we recommend a "Nay" vote.

Should you have any questions about our position, please feel free to contact Marie Darlin (907.586.3637), Coordinator of the AARP Capitol City Task Force; Patrick Luby (907.762.3314), AARP Legislative Representative; or me (907.245.5259).

Thank you for your consideration.

Sincerely,



Marguerite Stetson  
AARP Alaska  
Executive Council Member for Advocacy  
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907.245.5259 voice  
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cc: Representative Bud Fate  
Vice-Chair Kevin Meyer  
Representative Mike Chenault  
Representative Richard Foster  
Representative Mike Hawker  
Representative Bill Stoltze  
Representative Eric Croft  
Representative Richard Joule  
Representative Carl Moses  
Marie Darlin  
Patrick Luby



Honorable Bill Williams, Co-Chair  
House Finance Committee  
Alaska Capitol, Room 515  
Juneau, AK 99801-1182

Honorable Bud Fate  
Member of the House  
Alaska Capitol, Room 128  
Juneau, AK 99801-1182

April 27, 2003

RE: HB 15 (Fate)-Support

Dear Chair Williams and Representative Fate:

Please excuse the delay in responding to Chair Williams' letter concerning Representative Fate's HB 15.

We have talked to a variety of the 30 states that have adopted some form of Do Not Call legislation, particularly in light of recent action by the FTC and probable action by the FCC.

It might be helpful to look at Michigan's recent law which allows the state to use the federal list as the state list for Do Not Call enrollees. The effective date of their law is set so they can steer all enrollees to the federal registry and eliminate state general fund costs.

California is also adopting their original legislation to allow their citizens to pre-register for the national Do Not Call registry. The Attorney General and the Legislature there are promoting the availability of the federal registry through joint press conferences and on-line pre-registration on the Attorney General's web site.

Should HB 15 be altered to use the national registry instead of a separate Alaska data base, we believe almost all costs cited in the fiscal note can be eliminated.

The FTC will incorporate all statewide lists into their national data base anyway but it could take as much as a year. It would be much more timely as well as inexpensive to simply use the FTC registry.

The current Alaska "black dot" law has significant costs for the consumer who must pay a recurring fee for every directory. In hearings on last year's Do Not Call bill, the

Department of Law admitted they had not levied any fines for any company that had violated the law, despite consumer complaints. The intent of the black dot law may have been well-meaning but AARP members who paid for black dot listings have told us that they regularly receive solicitations. Since solicitors know there has been no enforcement in the past, they have little incentive to obey the law. Telephone companies testified last year that they will be delighted to have solicitors use a Do Not Call registry and eliminate the need for them to maintain and charge for "black dot" listings.

Our consumer public policy staff at AARP headquarters have advised all states to continue to work to pass state laws for enforcement purposes. The FTC staff admits that their enforcement efforts will likely be targeted toward offenses that are nationwide in scope. They simply will not have the staff for less widespread offenses or offenders that are limited to one state or market within a state.

AARP has no problem with political calls. I believe North Dakota is the only state that has limited them. We do not consider them sales calls and agree with your view that they should not be excluded.

States have varied in their approaches to charitable calls. Based on AARP experiences, we have found that the most offensive calls are from sham charities; basically scams to defraud consumers. Unfortunately, no Do Not Call law, federal or state, will stop con artists from plying their trade. We will continue to rely on international, federal and state law enforcement to prosecute these individuals/entities. We also recognize that organizations like AARP have an unending responsibility to continuously provide consumer information about cons and scams.

AARP continues to support HB 15 to control calls that will originate in Alaska to Alaskans.

Chair Williams, we attempted to find answers to your questions about in-state telemarketers. The only information we could locate is what the Department of Law has already provided to you. Having watched the growth of the telemarketing industry in the past, we have no doubt that there will be smaller operations set up in every state that does not have some form of its own Do Not Call law.

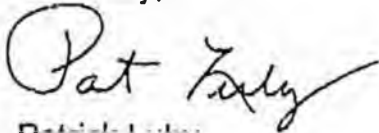
If Alaska decides to utilize the federal registry instead of a separate listing, we believe your appropriate concern about general fund expenditures will be answered. The primary focus of HB 15 would change to giving the Attorney General authority to go after Alaska based operations that violated what would be new Alaska statutes. AARP believes this will prove to be necessary and it will be a law that will benefit all Alaska citizens. Every survey AARP has conducted on this issue has had more than 90% responding favorably to Do Not Call lists.

We look forward to working with you and Representative Fate and the bipartisan list of co-sponsors to pass HB 15 in your Committee.

Should you have any questions about our position, please feel free to contact Marie Darlin (907.586.3637), Coordinator of the AARP Capital City Task Force or me (907.762.3314).

Thank you for your consideration.

Sincerely,



Patrick Luby  
AARP Legislative Representative

CC: Co-Chair John Harris  
Vice-Chair Kevin Meyer  
Representative Richard Foster  
Representative Mike Hawker  
Representative Mike Chenault  
Representative Bill Stoltze  
Representative Jim Whitaker  
Representative Eric Croft  
Representative Reggle Joule  
Representative Carl Moses  
Representative Paul Seaton  
Representative Beth Kerttula  
Representative Harry Crawford  
Representative Les Gara  
Marie Darlin  
Marguerite Stetson



Honorable Bruce Weyhrauch, Chair  
House State Affairs Committee  
Alaska Capital, Room 102  
Juneau, AK 99801-1182

February 11, 2003

RE: HB 15 (Fate)

Dear Chair Weyhrauch:

On behalf of the AARP members in Alaska, we encourage you and your colleagues on the House State Affairs Committee to support HB 15, authored by Representative Bud Fate and co-sponsored by Representatives Gara, Chenault, and Crawford.

**Well over half the number of people targeted by telemarketers each day are age 50 and over – and many of them are your own constituents.**

**AARP's perspective:**

In 2003, a dozen states are waging campaigns on the important issue of Do Not Call – good news to the tens of millions of Americans receiving unsolicited calls every day. Do Not Call efforts will mean increased privacy and decision-making power for consumers.

On December 18, 2002 the Federal Trade Commission (FTC) announced its revisions to the Telemarketing Sales Rule. This is a final rule but will need a Congressional appropriation before it can be implemented. It explicitly does not preempt state law in any way. The FTC anticipates that the Do Not Call registry will be up and running by the summer of 2003.

The FTC does not regulate intrastate calls. The FTC Chair has explained that it is very hard to predict how many calls the new federal registry will prevent, as telemarketers may establish in-state call centers to avoid the federal law. Therefore, state law is crucial to cover any Alaska-originated calls.

AARP ALASKA  
PRIORITY ISSUES

The FTC has no jurisdiction over common carriers (such as long-distance companies or airlines), banks, credit unions, or insurance companies. There is no limitation on the states to regulate these calls and state law is needed to address the exemptions to the FTC rule.

In addition, telephone calls soliciting money for charitable institutions or political organizations are not covered by the Telemarketing Sales Rule. Alaska has the authority to regulate these types of solicitations should the Legislature decide to include them.

Realistically, it may be difficult to have comprehensive federal enforcement of a national Do Not Call law covering millions of people, given the relatively small size of the FTC's staff devoted to this issue and the resources available to fight abuse of consumers. Alaska is in a much better position to detect, deter, and prosecute Do Not Call violations. AARP believes a state law that is enforceable in state court is essential to give the law some needed teeth. Without a state statute, some telemarketers may not have a strong incentive to carefully monitor, update, and follow Do Not Call lists.

There will be a transition period whereby the FTC will set up a system to accept state Do Not Call lists (many states already have them). As the registration process progresses, the FTC will have more detailed information for consumers and states. It would be helpful if Alaska writes our Do Not Call law to allow transfer of information between the State and the FTC so that there is a "master" list of consumers who do not want to be called.

It should be much more cost-effective for Alaska to enact a Do Not Call law in 2003 since we will not have to bear the expense of collecting, updating, and disseminating the Do Not Call list. The FTC will allow consumers to register free-of-charge and will use a sliding scale to charge telemarketers for access to the list.

The FTC exempted existing business relationships from coverage and then only if a consumer has actually purchased goods or services within the last 18 months. If a consumer made only an inquiry or application, they can call the consumer for only 3 months, and then must not call. However, if a consumer gives a "Do Not Call" message to a business, regardless of when they call, it "trumps" the window in which they can call. In other words, if a consumer buys something from Sears and Sears calls back six months later, once the consumer says "do not call me anymore", they cannot call again.

This is the only exemption, which makes the federal "floor" stronger than many existing state laws. Should Alaska choose to fill in the gaps where the FTC cannot act or has chosen not to act (ie., for political calls or charities), AARP will support the stronger state law.

Do Not Call laws do not regulate the industry per se. Instead, they give consumers more control over unsolicited intrusions into their homes, and help avoid potentially fraudulent telemarketing calls – many of which are targeted toward seniors in your district.

These laws also won't stop every unsolicited call from coming to consumers who sign up for the list. AARP recommends making these exemptions as narrow as possible, so that consumers in Alaska who choose to place their names on a Do Not Call list experience a truly significant reduction in calls.

**Why should Do Not Call be a key issue for legislators?**

The number of unsolicited telemarketing calls that residents of Alaska receive is staggering. These calls present a significant privacy concern for individuals who are tired of multiple, daily intrusions into their privacy.

In today's information technology age, constituents value their privacy more than ever. AARP believes that, as consumers, they have the right to be free from unsolicited calls into their homes, and that they shouldn't have to be forced to screen calls by purchasing a caller ID system or answering machine. The vast majority of Americans – up to 97 percent according to some surveys – agree with this position.

Do Not Call legislation is a non-partisan issue. HB 15 has a Republican author and Democrats and Republicans as co-sponsors. Last year, nine Republicans and six Democrats joined as co-sponsors, including Speaker Brian Porter. We encourage you and your Committee colleagues to join Representative Fate as co-sponsors on this bill.

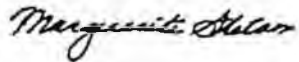
We look forward to your support of this bill in the House State Affairs Committee and we sincerely thank you in anticipation of that support.



Should you have any questions about our position, please feel free to contact Marie Darin (907.586.3637), Coordinator of the AARP Capital City Task Force; Patrick Luby (907.762.3314), AARP Legislative Representative; or me (907.245.5259).

Thank you for your consideration.

Sincerely,



Marguerite Stetson  
AARP Alaska  
Executive Council Member for Advocacy  
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cc: Representative Bud Fate  
Vice-Chair Jim Holm  
Representative Nancy Dahlstrom  
Representative Bob Lynn  
Representative Paul Seaton  
Representative Ethan Berkowitz  
Representative Max Gruenberg  
Representative Les Gara  
Representative Mike Chenault  
Representative Harry Crawford  
Marie Darin  
Patrick Luby

## NO CALL ADMINISTRATIVE COST INFORMATION

**FLORIDA** (Joanne Dickson-850-410-3664) Florida operates an in-house system for their No Call list. In the last fiscal year they had \$1.5 million in revenue and \$600,000 in direct operating expenses for the system. They charge a consumer \$10 to register the first time and \$5 for renewal. This generated over \$1 million of their revenue. They charge telemarketers up to \$400 to obtain the list. This generated \$230,000. The other major source of revenue was administrative fines that generated approximately \$215,000.

They have 11 FTE that operate the system. This includes investigators, complaint analysts, database manager and administrative support.

**KANSAS** (Joe Malina 785-296-2215) Kansas uses an outside vendor to maintain their database (GovConnect—Dave (217-482-9303)). The vendor takes calls from consumers or allows them to register on line. The vendor sells the list to the telemarketers for a fee established by statute. They also used an outside consultant to establish a complaint database. This cost them \$250,000. They have 1 part time person that takes complaints, 2 investigators, and 1 attorney. Their complaint volume decreased from 100 calls per day to 35 calls per day. Their revenue generation is from fines and penalties. They estimate that in the first six months that they will generate over \$500,000 in revenue. Their fines for noncompliance are \$10,000. They have been in operation since November. Joe estimates that they will be break even at that time. Also, he expects with enforcement that within a year the complaints will be small and there will be only a need for one or two staff members. He suggested that if we are in the throws of considering legislation that we consider including list brokers or list scrubbers being added to the people that can purchase the list. Also he suggested that we add cellular phones to the list. Not only is this annoying but the cellular customer is charged for the time that the call is made.

**KENTUCKY** (Scott Sutherland—502-696-5389) They maintain their list in-house. The operation is financed with existing agency funds. It was a legislative mandate to them and they don't charge to register for the consumer or the telemarketing firm. They have 8 employees—4 investigators, 3 Registration Assistants, 1 Administrative and 1 attorney. They started up on July 15, 2002. At that time they had 300 telemarketing firms purchase their list. After taking some enforcement actions that has grown to 1160. The majority of these firms have chosen to obtain the list via an Internet download. Kentucky does not charge for the list. In the first 6 months, they have had 75 enforcement actions, which will amount to \$400,000 in civil fines. This would cover their cost of operation but by statute are prevented from keeping the fines.

**MAINE** (Gladys Guggin—207-626-8800) Maine does not actually maintain a list. They collect the information from the consumer via the Internet or by the consumer completing a form and mailing it in. They send the names they have collected to the Direct Marketing Association to be distributed to their member list.

**ALABAMA** (Clark Bruner 334-242-5983) Alabama operates an in-house "Do Not Call" program. They have 50,000 people registered. They have two staff that administers the program. Clark did not know the cost to administer the program but would call me back. They have a lot of problems with their program. They have 25 exemptions to the "Do Not Call" list and as a result they have never sold a list or been able to enforce the law. They cautioned us on allowing exemptions.

**ARIZONA**—(602-542-5025) They do not maintain a "Do Not Call" list.

**CALIFORNIA**—(Mike Raymer-916-324-5765) California is scheduled to bring their "Do Not Call" program on line in April. They are waiting to see what the federal government is doing. They are resisting the federal pre-empter of state's operating their own list. Their legislation has few

exceptions. If California goes forward they plan to contract with a vendor to provide on line registration, voice-activated registration by telephone and registration by mail. They are planning to charge \$5 per household to register. They anticipate that they will have 600,000 households register in the first year which will be sufficient to fund the operation. The \$3 million budget will provide for 15 staff members whom will conduct investigations and provide for enforcement. The kinds of staff will include a manager, clerical, three attorneys and an auditor. They will also sell the list to the telemarketing companies.

**COLORADO**—(Jamie Jack—303-894-2043) They became operation in July, 2002. They contracted with E-InfoData.com to develop and maintain a website and database. They entered into a three-year contract, which will cost \$44,500 in 2002, \$42,500 in 2003 and \$39,500 in 2004. Complaints and enforcement are handled through the Colorado Attorney General's office. Over 1,062,000 consumers have registered. This is approximately 50% of the residential telephone lines in the state of Colorado. The Attorney General handles all the enforcement for the "Do Not Call" list. From 7/1/2002-11/30/2002, there were 13,397 consumer complaints and 162 Cease and Desist orders against telemarketing firms. This resulted in five enforcement actions that collected \$500 in civil fines. The Attorney General's office is seeking additional financial support from the legislature to expand their enforcement staff.

**CONNECTICUT**—(860-713-6300) Connecticut contracts with the Direct Marketing Association to maintain their list. The Department of Consumer Protection provides enforcement of the "No Call List."

**IDAHO**—(Melissa—208-334-2424) They maintain an in-house database of consumers. They contracted with an outside agency to develop the database. They charge the consumer \$10 to register for the first three years and \$5 for a renewal. They have 9-10% of their households registered. One-half of those consumers registered on-line for the "Do Not Call" list. The majority of their revenue has been raised through the consumer registration fee. They do charge telemarketing companies for the list and have collected about \$50,000 in fines. They have 1.5 non-enforcement staff that take the complaints and maintain the database. Three attorneys investigate complaints and provide enforcement.

**ILLINOIS** (217-785-2449) Illinois enacted their legislation in August and have plans to have their program operational by July. They recently sent out solicitations for companies to develop and maintain their database.

**GEORGIA** (404-656-4501) Georgia contracts with Computer Business Services of Athens, GA to operate their system. They collect the fee from the consumer and the telemarketer to operate the system. Georgia charges the consumer \$5 to register and telemarketers \$10 to register. They have 402,000 residential lines registered and 3500 telemarketers. The Governor's Office of Consumer Affairs does all of the enforcement and investigation. Computer Business Service receives \$4 of the \$5 of the consumer registration charge and \$5 of the telemarketer charge. The fees from the registrants and telemarketers make this program self-supporting. Computer Business Services also testifies in complaint hearings.

**NEW YORK** (866-887-5478) New York contracts with Computer Business Services to operate their system. Consumers can register for the no-call list for free. New York has 2,339,000 residential land and cell phone customers registered. They charge the telemarketer \$800 to register. Currently, there are 1,000 telemarketers registered. New York State Consumer Protection Board is charged with investigation and enforcement. They have been very actively in enforcement. They have collected almost \$600,000 from 40 companies in fines. This is the second largest total fine collection among the 28 states that are currently enforcing a "Do Not Call" program. They are not yet a self-supporting program. This is largely due to the fact that they do not charge a fee to the consumer to register.

**OREGON** (877-700-6622) Oregon contracts with Computer Business Services to operate their system. Consumers pay an initial registration fee of \$6.50 to register for one year and \$3 per year for renewals. There are 109,000 residential phone lines registered in Oregon. Telemarketers pay a fee of \$120 per year. Oregon has 1200 telemarketers registered. The Oregon Department of Justice conducts all the investigations and enforcement of the law.

**MASSACHUSETTS** (Jennifer Davis Carey-617-973-8787) Massachusetts just started taking registrants for their do not call list on January 1<sup>st</sup> of this year. GovConnect is administering the list for them. Registration on the list is free. They are going to charge telemarketers \$1100 for the list. The first list will be available April 1<sup>st</sup>. Violators can be sued directly by consumers or turned over to the Attorney General for prosecution.

**MICHIGAN** (517-241-6180) Michigan just enacted their law on 12/30/2002. They are working on implementation of the law which they hope to have up, and running in April.

**MINNESOTA** (651-282-5064) they just started registering folks in November and by the end of year they had 1/2 of the households in Minnesota registered. They contracted with a Minnesota firm NCS Pearson to provide telephone and computer services that will be used to register Minnesota residents for the states new Do Not Call list. Minnesota residents will not be charged to register their phone numbers. The cost of establishing and maintaining the list will be recovered through the fees paid by telemarketers who are required to purchase the No Call list on a quarterly basis. Violators could be charged with a civil penalty of up to \$1,000 per violation. Repeat offenders will be barred from all telemarketing in the state.

**ALASKA** (Julia Coster-907-269-5100) The local telephone companies in Alaska by law are required to maintain a list for "Do Not Call." They also place a black dot in front of an individual's listing in the telephone directory if they are on the list. Telemarketers purchase the list from the local telephone companies. The Alaska Attorney General's Office—Consumer Protection Unit is charged with investigation and enforcement of complaints. One of the issues is that consumers often do not know where to complain.

**VERMONT** They do not operate a "Do Not Call" list. They refer consumers to register on the Direct Marketing Association list.

**OKLAHOMA** (Donna Reed 405-521-4274) The registration free to residents. They currently have 3 Staff persons and one temporary. They had 436,000 phone numbers register in the first quarter. 140 companies have purchased a list. You can register online, automate phone or call the office. Enforcement starts on 02-01-03. Have not done any enforcement yet.

**TEXAS** (Contact Terry Haddle 888- 782-8477 ext. 67135) Texas has about 843,000 phone numbers listed. They have sold about 1,300 do not call list to telemarketers. Have not done any enforcement yet.

**PENNSYLVANIA** (Contact David Summers 717-783-6491) Pennsylvania collects phone numbers and names and forwards them once a week to Direct Marketing Association. Pennsylvania does not charge for the listing. You need to purchase the list from the DMA group. Pennsylvania has about 2.5 million phone numbers on the list. The list is emailed daily to the DMA who updates the list quarterly. 375 telemarketers have purchased this list to date. No enforcement action has taken place. Enforcement will start in Feb. 2003.

**WYOMING** (Attorney General Consumer Protection Arlene Delaney 307-777-7841) This list is maintain by the Direct Marketing Association. The Wyoming list has about 9,000-phone number. Wyoming does not advertise the program. No list has been sold. No enforcement has taken place.

**LOUISIANA** (Brenda Headlee 225-219-9650) Louisiana contract with WorldCom for Data Collection and Verification services for their "Do Not Call list. The cost of the contract was approximately \$50,000.00. The contract was extended through the end of February 2003, so that the services could be submitted out on a RFP to interested bidders. We are in the process of completing the RFP process (WorldCom was the only applicant. Louisiana has an in-house Do Not Call staff that consist of a Program Manager, and 2 Enforcement agents. We receive support functions from many employees of the LPSC Management and Finance team, (budget, technical, payroll, etc.) There is no cost for consumers to register; they are on the list for 5 years. There were 302,715 consumers registered through January 8, 2003. Approximately 296 solicitors have registered with our program for Calendar year 2002 and/or 2003. There is a cost to solicitors. At this time they pay an annual amount of \$800 to register and obtain the list on a quarterly basis. (They must also demonstrate financial responsibility by providing either a surety bond or letter of credit.) The DNC program is a self-funded program. Our operating budget for FY 02-03 is \$271,504. They have collected \$262,750 in noncompliance fines that are used to support the program.

# Examiner

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## Bulletin Board

July 11, 2002

### Law limiting telemarketers comes before state Senate

The state Assembly has passed legislation sponsored by Assembly Assistant Majority Leader Linda Greenstein (D-14) and Assemblyman Jeff Van Drew (D-1) designed to crack down on the barrage of telemarketing calls to residents' homes.

If signed into law, New Jersey would become the 21st state to adopt a "No Telemarketing Call List."

"If a family wants to eat dinner in peace without receiving a disturbing phone call from a telemarketer, then the state should protect that privacy," said Greenstein, whose district includes Monroe, Jamesburg and South Brunswick, among other municipalities in Middlesex and Mercer counties. "People who have long suffered the aggravation of pestering telemarketers will soon have a recourse: a No Telemarketing Call List," she added.

Under the measure, the state Division of Consumer Affairs (DCA) would establish a no-call state registry for residents who wish to stop receiving unsolicited sales calls. These residents could join the registry by accessing a telephone hotline number.

The bill would enable the DCA to enter into a contract with a private vendor to establish and maintain the no-call list, provided that the vendor has proper qualifications and experience.

"Telemarketing calls are nothing short of commercialized harassment," said Van Drew, who is based in Cape May County. "They are an absolute aggravation, the telecommunications equivalent of a root canal. They are annoyances that people want government to bring under control."

The bill also would require local exchange telephone companies to include in every telephone directory,

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and in at least two phone bills per year, a notice detailing the provisions of the option to enroll in the no-telemarketing list as well as an explanation of how those provisions relate to the rights of the consumer.

**Sept. 11  
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planned**

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Other provisions of the bill include the authorization to:

- Require telemarketers to register with the DCA and pay an annual fee.
- Compel telemarketers to display their state registration numbers in all ads, business documents and places of business.
- Require telemarketers to state their names, company and purpose within 30 seconds of a telemarketing phone call.
- Prohibit making telemarketing calls between 9 p.m. and 8 a.m. local time.
- Prohibit blocking an incoming call from a customer's identification service.

Any telemarketing firm which violates the bill's provisions would be subject to fines of up to \$10,000 for the first offense and up to \$20,000 for each subsequent offense.

If passed and signed into law, the measure would establish a non-lapsing fund known as the Consumer Protection Fund. All fees and penalties would be deposited into the fund and would be used for educational activities related to the promotion of the no-telemarketing list.

Van Drew noted that 20 states, including New York and Delaware, have statutes establishing no-call registries. In the first month after enactment, more than 180,000 New Yorkers requested to be placed on their state's list, according to the National Conference of State Legislatures.

The bill passed by a vote of 74 to 3 and now heads to the Senate for its consideration.

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