

Olds Plaza Building, 10th Floor Lansing, Michigan 48909 Phone: 517/373-6466

REGULATE "900" PHONE CALLS

House Bill 4963 Sponsor: Rep. Jerry Bartnik Committee: Public Utilities

Complete to 8-22-91

A SUMMARY OF HOUSE BILL 4963 AS INTRODUCED 6-17-91

The bill would create a new act to regulate "audiotext services" (which include 900 prefix telephone services), including allowing customers to refuse access to audiotext services through their telephone lines and to void any unauthorized audiotext charges that appeared on their bills.

<u>Definitions</u>. The bill would define "audiotext services" to mean various electronic communications products and services that enable users to send or receive information using a voice processing system over the telephone. "Audiotext service" would include (but not be limited to) all 900 prefix telephone services for information retrieval, messaging, and conferencing, but it would not include electronic communications used to conduct financial transactions.

<u>Telephone customers</u>. Telephone customers would have the right to refuse to pay any unauthorized audiotext service charges that appeared on their telephone bills.

Audiotext providers. The bill would require audiotext providers to provide certain information to telephone customers. Before providing an audiotext service, audiotext providers would be required annually (on October 1 and when a service was newly established, changed, or added) to send customers a short written description of the service to be offered, including the cost, along with the provider's name, address, and telephone number. In addition, at the beginning of each audiotext call, the provider of the service would have to give an "introductory voice message ("clearly and at an audible volume") describing the cost of the service and informing the customer that the charge for the service would appear on his or her telephone bill. The audiotext service could not be provided unless the customer indicated at the end of the introductory message that he or she wanted to proceed with the service.

Telephone providers. The bill would prohibit telephone companies from disconnecting telephone services simply because a customer had not paid audiotext charges, and would require them to notify their customers of each customer's right to have access to audiotext services blocked. If a customer chose to have an audiotext service blocked, the telephone company would have to block the service free of charge. Telephone companies would have to list all audiotext services (including the type or title of the service provided) separately on the customer's telephone bill, along with a notice of the customer's right to void unauthorized audiotext charges that appeared on the bill. In addition, upon request of a customer, telephone companies would be required to provide the name and address of an audiotext provider listed on the customer's bill.

<u>Penalties</u>. Any audiotext provider who violated the bill would be guilty of a civil infraction and could be fined up to \$5,000. Each call completed by a provider in violation of the bill would be considered a separate offense. County prosecutors could bring civil suits to enforce the bill.