

CS FOR SENATE BILL NO. 138(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/2/12

Referred: Rules

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

A BILL

FOR AN ACT ENTITLED

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

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

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

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

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

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

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

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

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

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

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

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

11 (c) A telecommunications carrier may not discontinue services to a customer
12 based on the customer's failure to pay a charge of another person or billing agent
13 appearing on the telecommunications carrier's bill, when the customer has contested
14 the charge using the contact information provided under (b) of this section and orally
15 or electronically informed the telecommunications carrier of the reason for
16 nonpayment.

17 (d) A telecommunications carrier may recover from a person or billing agent
18 reasonable costs incurred in implementing billing changes or otherwise complying
19 with this section.

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

22 (f) In this section,

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

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

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

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

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

30 **Sec. 45.50.476. Charges billed by telecommunications carriers.** (a) Except
31 as provided in (c) of this section, a person or billing agent may not bill charges for

1 goods or services on a customer's telephone bill from a telecommunications carrier.

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

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

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

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

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

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

14 (3) operator-assisted telephone calls, collect calls, or telephone
15 services provided to facilitate communications to or from inmates in a correctional
16 center; or

17 (4) goods or services for which the person or billing agent has
18 provided the telecommunications carrier with

19 (A) the following:

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

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

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

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

28 (d) Telecommunications carriers have no duty to verify independently the
29 accuracy of information received from a person or billing agent under this section.

30 (e) In this section,

31 (1) "billing agent" means a person or entity that aggregates consumer

1 billings or serves as a clearinghouse for aggregate billings and submits charges for
 2 goods or services to the billing telecommunications carrier on behalf of itself or a
 3 vendor;

4 (2) "express authorization" means

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

7 (B) oral agreement to be billed for the charges after the
 8 customer's identity has been verified by an independent third-party verification
 9 company using unique identifying information;

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

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

13 (a) Nothing in AS 45.50.471 - 45.50.561 applies to

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

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

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