

1 **§269-B Scope.** This part does not apply to the provision
2 of services and products by a provider of cable service, as that
3 term is defined in section 440G-3, or by a provider of mobile
4 telecommunications service, as defined in section 239-22.

5 **§269-C Requirements for submitting charges.** (a) A
6 service provider or billing agent may submit charges for a
7 product or service to be billed on a consumer's telephone bill
8 only if:

9 (1) The service provider offering the product or service
10 has clearly and conspicuously disclosed all material
11 terms and conditions of the product or service being
12 offered, including all charges and the fact that the
13 charges for the product or service shall appear on the
14 consumer's telephone bill;

15 (2) After the clear and conspicuous disclosure of all
16 material terms and conditions as described in
17 paragraph (1), the consumer has expressly consented to
18 obtain the product or service offered and to have the
19 charges appear on the consumer's telephone bill and
20 the consent has been verified as provided in
21 subsection (b);

1 (3) The service provider offering the product or service
2 or any billing agent for the service provider has
3 provided the consumer with a toll-free telephone
4 number the consumer may call and an address to which
5 the consumer may write to resolve any billing dispute
6 and to answer questions; and

7 (4) The service provider offering the product or service
8 or the billing agent has taken effective steps to
9 determine that the consumer who purportedly consented
10 to obtain the product or service offered is authorized
11 to incur charges for the telephone number to be
12 billed.

13 (b) The consumer consent required by subsection (a) must
14 be verified by the service provider offering the product or
15 service before any charges are submitted for billing on a
16 consumer's telephone bill. A record of the consumer consent and
17 verification must be maintained by the service provider offering
18 the product or service for a period of at least twenty-four
19 months immediately after the consent and verification have been
20 obtained. The method of obtaining consumer consent and
21 verification must include one or both of the following:



1 (1) A writing signed and dated by the consumer to be
2 billed that clearly and conspicuously discloses the
3 material terms and conditions of the product or
4 service being offered in accordance with subsection
5 (a)(1) and clearly and conspicuously states that the
6 consumer expressly consents to be billed in accordance
7 with subsection (a)(2) as follows:

8 (A) If the writing is in electronic form, then it
9 shall contain the consumer disclosures required
10 by section 101(c) of the federal Electronic
11 Signatures in Global and National Commerce Act;
12 and

13 (B) The writing shall be a separate document or
14 easily separable document or located on a
15 separate screen or webpage containing only the
16 disclosures and consent described in subsection
17 (a); or

18 (2) Third party verification by an independent third party
19 that:

20 (A) Clearly and conspicuously discloses to the
21 consumer to be billed all of the information
22 required by subsection (a)(1);



1 (B) Operates from a facility physically separate from
2 that of the service provider offering the product
3 or service;

4 (C) Is not directly or indirectly managed,
5 controlled, directed, or owned wholly or in part
6 by the service provider offering the product or
7 service;

8 (D) Does not derive commissions or compensation based
9 upon the number of sales confirmed;

10 (E) Tape records the entire verification process,
11 with prior consent of the consumer to be billed;
12 and

13 (F) Obtains confirmation from the consumer to be
14 billed that he or she authorized the purchase of
15 the offered good or service.

16 All verifications must be conducted in the same language that
17 was used in the underlying sales transaction.

18 (c) Unless verification is required by federal law or
19 rules implementing federal law, subsection (b) does not apply to
20 customer-initiated transactions with a certificated
21 telecommunications carrier for which the service provider has
22 the appropriate documentation.



1 (d) This part does not apply to message telecommunications
2 service charges that are initiated by dialing 1+, 0+, 0-,
3 1010XXX, or collect calls and charges for video services if the
4 service provider has the necessary records to establish the
5 billing for the call or service.

6 **§269-D Records of disputed charges.** (a) Every service
7 provider or billing agent shall maintain records of every
8 disputed charge for a product or service placed on a consumer's
9 bill.

10 (b) The record required under this section shall contain
11 for every disputed charge all of the following:

12 (1) Any affected telephone numbers and, if available,
13 addresses;

14 (2) The date the consumer requested that the disputed
15 charge be removed from the consumer's bill;

16 (3) The date the disputed charge was removed from the
17 consumer's telephone bill; and

18 (4) The date action was taken to refund or credit to the
19 consumer any money that the consumer paid for the
20 disputed charges.

21 (c) The record required by this section shall be
22 maintained for at least twenty-four months.



1 §269-E Billing agents; compliance of service providers.

2 Billing agents shall take reasonable steps designed to ensure
3 that service providers on whose behalf they submit charges to a
4 billing carrier comply with the requirements of this part.

5 §269-F Violations. Any service provider or billing agent
6 who violates this part commits an unfair or deceptive trade
7 practice under section 480-2."

8 SECTION 2. This Act does not affect rights and duties that
9 matured, penalties that were incurred, and proceedings that were
10 begun before its effective date.

11 SECTION 3. In codifying the new sections added by section
12 1 of this Act, the revisor of statutes shall substitute
13 appropriate section numbers for the letters used in designating
14 the new sections in this Act.

15 SECTION 4. This Act shall take effect January 1, 2012.

16

INTRODUCED BY: Cindy Evans
JAN 21 2011



Report Title:

Telephone Bills; Disclosure of All Charges

Description:

Requires telephone service providers to disclose all applicable charges and obtain authorization and verification for product and service charges to be billed. Requires maintenance of records of disputed charges. Requires billing agents to take reasonable steps to ensure that service providers comply with all applicable requirements. Provides that violations constitute an unfair and deceptive trade practice. Effective 01/01/12.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

