

AMENDED IN ASSEMBLY APRIL 7, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 535

Introduced by Assembly Member Reyes

February 18, 1999

An act to add Section 2889.4 to the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 535, as amended, Reyes. Telecommunications: services.

Existing law requires telephone corporations to provide specified customer and subscriber services.

This bill would require a local exchange ~~service-provider~~ *carrier* that automatically provides custom calling or enhanced calling telephone services billed on a per use basis to a residential subscriber of basic exchange service to notify all residential subscribers of those services by including in the regular bill for service a postcard with return postage guaranteed, listing the names and descriptions of each service to be billed on a per use basis, and the cost of each use. The bill would prohibit that ~~service-provider~~ *local exchange carrier* from providing any service listed on the postcard to a subscriber without the authorization of the subscriber to those services, as prescribed. *The bill would also require a local exchange carrier to provide to each new subscriber, as defined, during the verbal initiation of a subscription to residential service, the information to be included in the*

above-described postcard. The bill would require a local exchange carrier to inform any new subscriber of the option to block any service feature during that subscription transaction, to permit a new subscriber to authorize the activation or blocking of any service feature during the subscription transaction, and to send a service confirmation letter subsequent to subscription, as specified. The bill would, except as specified, exempt residential subscribers from liability for any charge for the use of a telephone service billed on a per use basis unless the ~~service provider~~ local exchange carrier has received that authorization. The bill would authorize a residential subscriber that has authorized the provision of telephone services billed on a per use basis to ~~file a claim with the service provider for the reimbursement of charges for the inadvertent or unauthorized use of telephone services billed on a per use basis, and would require the service provider to reimburse that subscriber under those circumstances~~ obtain from the local exchange carrier an adjustment of the subscriber's bill for the inadvertent or unauthorized activation of that telephone service.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 2889.4 is added to the Public
 2 Utilities Code, to read:
 3 2889.4. (a) ~~A local exchange service provider~~ (1) A
 4 local exchange carrier that automatically provides
 5 custom calling or enhanced calling telephone services
 6 billed on a per use basis to a residential subscriber of basic
 7 exchange service shall notify all residential subscribers by
 8 including in the regular bill for service a postcard with
 9 return postage guaranteed, listing the names and
 10 descriptions of each service offered by the ~~service~~
 11 ~~provider~~ local exchange carrier, to be billed on a per use
 12 basis, and the cost of each use, including information on
 13 applicable charges such as tolls for a connected call. The
 14 ~~service provider~~ local exchange carrier may not provide
 15 any service listed on the postcard notice to a subscriber

without the authorization of the subscriber to those services, as indicated by the return of the postcard to the ~~service provider~~ local exchange carrier with the subscriber's signature, telephone number, and service address. *The local exchange carrier shall submit the content of a proposed postcard notification to the commission for approval prior to its inclusion in the bills of that local exchange carrier.*

(2) A local exchange carrier shall also provide to each new subscriber, during the verbal initiation of a subscription to residential service, the information to be included in a notification pursuant to paragraph (1). A local exchange carrier shall additionally inform any new subscriber of the option to block any service feature. A local exchange carrier shall permit a new subscriber to authorize the activation or blocking of any service feature during the verbal subscription transaction. The local exchange carrier shall send a service confirmation letter subsequent to a verbal subscription and shall include in the letter the name, function, and activation charge for each custom calling feature and indicate whether the subscriber has blocked any named service feature.

(b) (1) Except as specified in paragraph (2), a residential subscriber may not be liable for any charge for the use of a telephone service billed on a per use basis unless the ~~service provider~~ local exchange carrier has received authorization from that subscriber pursuant to subdivision (a).

(2) A current subscriber may be liable for any charge for the use of a telephone service billed on a per use basis used within 14 days from the date that notification was sent by the ~~service provider~~ local exchange carrier pursuant to subdivision (a), but may not be liable for charges incurred thereafter, unless the ~~service provider~~ local exchange carrier has received authorization from that subscriber pursuant to subdivision (a).

(c) A residential subscriber that has authorized the provision of telephone services billed on a per use basis in accordance with subdivision (a) may ~~file a claim with the service provider for the reimbursement of charges for the~~

1 ~~inadvertent or unauthorized use of telephone services~~
2 ~~billed on a per use basis, and the service provider, under~~
3 ~~those circumstances, shall reimburse that subscriber.~~
4 *obtain from the local exchange carrier an adjustment of*
5 *the subscriber's bill for the inadvertent or unauthorized*
6 *activation of a telephone service billed on a per use basis.*

7 (d) As used in this section, the following terms have
8 the following meanings:

9 (1) "Current subscriber" means a residential
10 subscriber of a local exchange service provider as of
11 December 31, 1999.

12 (2) "New subscriber" means a person who initiates a
13 subscription to residential service from a local exchange
14 service provider that begins on or after January 1, 2000.
15 *"New subscriber" also includes an existing subscriber*
16 *who orders a new telephone line to be added to existing*
17 *service.*

