## \*\*\*Adopted\*\*\* AMENDMENT No. 1 PROPOSED TO

## Senate Bill NO. 2362

## By Representative(s) Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

- 13 SECTION 1. This article shall be known and may be cited as the "Mississippi Telephonic Solicitation Act." 14 SECTION 2. The use of the telephone to make all types of 15 solicitations to consumers is pervasive. This act gives consumers 16 17 a tool by which to object to telemarketing calls as these 18 communications can amount to a nuisance, an invasion of privacy, 19 and can create a health and safety risk for certain consumers who 20 maintain their phone service primarily for emergency medical 21 situations. Notwithstanding any other act or provisions of the 22 law to the contrary, this article shall control. SECTION 3. For the purposes of this article, the following 23 24 words and terms shall have the meanings ascribed to them herein: 25 "Consumer" means any person to whom has been (a) assigned in the State of Mississippi any residential telephone 26 27 line and corresponding telephone number, and who uses the
- 29 (b) "Caller Identification Service" means a type of

residential line for primarily residential purposes.

28

- 30 telephone service which permits telephone subscribers to see the
- 31 telephone number and name of incoming telephone calls.
- 32 (c) "Telephone solicitor" means any person, firm,
- 33 entity, organization, partnership, association, corporation,
- 34 charitable entity, or a subsidiary or affiliate thereof, who
- 35 engages in any type of telephone solicitation on his or her own
- 36 behalf or through representatives, independent contractors,
- 37 salespersons, agents, automated dialing machines or others;
- 38 however, the term "telephone solicitor" does not include any
- 39 person engaged in an insurance, real estate or securities business
- 40 that is licensed or regulated by the State of Mississippi.
- 41 (d) "Telephone solicitation" means any voice
- 42 communication over the telephone line for the purpose of
- 43 encouraging the purchase or rental of, or investment in property,
- 44 or for the purpose of soliciting a sale of any consumer goods or
- 45 services, but does not include communications:
- 46 (i) To any residential subscriber with that
- 47 subscriber's prior express invitation or permission;
- 48 (ii) By or on behalf of any person or entity with
- 49 whom a residential subscriber has a current business relationship;
- 50 or
- 51 (iii) In connection with an existing debt or
- 52 contract, the payment of which has not been completed at the time
- 53 of the call.
- (e) "Commission" means the Mississippi Public Service
- 55 Commission.
- (f) "Doing business in this state" refers to businesses
- 57 which conduct telephonic sales calls from a location in the State
- 58 of Mississippi or from other states or nations to consumers
- 59 located in this state.

- 60 <u>SECTION 4.</u> (1) No telephone solicitor may make or cause to
- 61 be made any telephone solicitation to any consumer in this state
- 62 unless the telephone solicitor has purchased the "no-calls"
- 63 database from the commission.
- 64 (2) No telephone solicitor may make or cause to be made any
- 65 telephone solicitation to any consumer in this state who has given
- 66 notice to the commission of his or her objection to receiving
- 67 telephone solicitations.
- 68 (3) The commission shall establish and operate a "no-calls"
- 69 database composed of a list of telephone numbers of consumers who
- 70 have given notice of their objection to receiving telephone
- 71 solicitations.
- 72 (4) Each local exchange company and each competing local
- 73 exchange carrier shall provide written notification on a
- 74 semiannual basis to each of its consumers, beginning July 1, 2001,
- 75 of the opportunity to provide notification to the commission that
- 76 the consumer objects to receiving telephone solicitations. The
- 77 notification shall be disseminated at the option of the carrier,
- 78 by television, radio or newspaper advertisements, written
- 79 correspondence, bill inserts or messages, a publication in the
- 80 consumer information pages of the local telephone directory, or
- 81 any other method not expressly prohibited by the commission.
- 82 <u>SECTION 5.</u> All telephone solicitors shall register with the
- 83 commission prior to conducting any telephonic solicitations in the
- 84 State of Mississippi.
- 85 <u>SECTION 6.</u> The commission is authorized to promulgate rules
- 86 necessary to effectuate this article, including, but not limited
- 87 to, the following:
- 88 (a) Methods by which consumers may give notice to the
- 89 commission of their objection to receive solicitations or

- 90 revocation of the notice;
- 91 (b) Methods by which a notice of objection becomes
- 92 effective and the effect of a change of telephone number on the
- 93 notice;
- 94 (c) Methods by which objections and revocations are
- 95 collected and added to the database;
- 96 (d) Methods by which a person or entity desiring to
- 97 make telephone solicitation may obtain access to the database as
- 98 required to avoid calling the telephone number of consumers
- 99 included in the database;
- 100 (e) The process by which the database is updated, and
- 101 the frequency of updates;
- 102 (f) The process by which telephone solicitors must
- 103 register with the commission for the purpose of conducting
- 104 telephonic solicitations in the state;
- 105 (g) Establishment of fees to be charged by the
- 106 commission to telephone solicitors for access to or for paper or
- 107 electronic copies of the database on an annual basis; and
- 108 (h) All other matters relating to the database that the
- 109 commission deems necessary.
- 110 <u>SECTION 7.</u> If the Federal Communications Commission
- 111 establishes a single national database of telephone numbers of
- 112 consumers who object to receiving telephone solicitations, the
- 113 commission shall include the portion of the single national
- 114 database that relates to the State of Mississippi in the database
- 115 established under this article.
- 116 <u>SECTION 8.</u> Information contained in the database established
- 117 pursuant to this article may be used and accessed only for the
- 118 purpose of compliance with this article and shall not be otherwise
- 119 subject to public inspection or disclosure.

120 SECTION 9. All fees collected under the provisions of this 121 article shall be deposited into a special fund in the State 122 Treasury to be expended by the commission for the implementation and administration of this article. At the end of each fiscal 123 year, unexpended monies remaining in the fund shall not revert to 124 125 any other fund of the state, but shall remain available for 126 appropriations to administer this article. The Legislature shall 127 annually appropriate from the fund the amount necessary for the 128 administration of this article to the commission. 129 SECTION 10. Any person or entity who makes a telephone 130 solicitation to a consumer in this state who is not listed on the most current "no-calls" database shall, at the beginning of each 131 call, announce clearly his or her name, the company he or she 132 133 represents and the purpose of the call. Such calls may only be 134 made between the hours of 8:00 a.m. and 9:00 p.m. No telephone 135 solicitation shall be made on a Sunday. 136 No person or entity who makes a telephone solicitation to a 137 consumer in this state may knowingly utilize any method which blocks or otherwise circumvents the use of Caller Identification 138 139 Service by the consumer. 140 SECTION 11. The commission is authorized to investigate 141 alleged violations and to initiate proceedings relative to a 142 violation of this article or any rules and regulations promulgated 143 pursuant to this article. Such proceedings include, without 144 limitation, proceedings to issue a cease and desist order, and to issue an order imposing a civil penalty not to exceed Five 145 Thousand Dollars (\$5,000.00) for each violation. The commission 146 shall afford an opportunity for a fair hearing to the alleged 147 violator(s) after giving written notice of the time and place for 148

said hearing. Failure to appear at any such hearing may result in

149

- 150 the commission finding the alleged violator(s) liable by default.
- 151 Any telephone solicitor found to have violated this article,
- 152 pursuant to a hearing or by default, may be subject to a civil
- 153 penalty not to exceed Five Thousand Dollars (\$5,000.00) for each
- 154 violation to be assessed and collected by the commission. Each
- 155 telephonic communication shall constitute a separate violation.
- 156 All penalties collected by the commission shall be deposited
- 157 in the special fund created herein for the administration of this
- 158 article.
- The commission may issue subpoenas, require the production of
- 160 relevant documents, administer oaths, conduct hearings, and do all
- 161 things necessary in the course of investigating, determining and
- 162 adjudicating an alleged violation.
- The remedies, duties, prohibitions and penalties set forth
- 164 under this article shall not be exclusive and shall be in addition
- 165 to all other causes of action, remedies and penalties provided by
- 166 law, including, but not limited to, the penalties provided by
- 167 Section 77-1-53.
- 168 <u>SECTION 12.</u> Any person who has received a telephone
- 169 solicitation in violation of this article, or any rules and
- 170 regulations promulgated pursuant to this article, may file a
- 171 complaint with the commission. The complaint will be processed
- 172 pursuant to complaint procedures established by the commission.
- 173 <u>SECTION 13.</u> It shall be a defense in any action or
- 174 proceeding brought under Section 11 or 12 of this act that the
- 175 defendant has established and implemented, with due care,
- 176 reasonable practices and procedures to effectively prevent
- 177 telephone solicitations in violation of this article.
- 178 <u>SECTION 14.</u> The commission is granted personal jurisdiction
- 179 over any telephone solicitor, whether a resident or a nonresident,

180 and even though they are deemed not to be a public utility, for 181 the purpose of administering the provisions of this article. The 182 commission is granted personal jurisdiction over any nonresident 183 telephone solicitor, its executor, administrator, receiver, 184 trustee or any other appointed representative of such nonresident 185 as to an action or proceeding authorized by this article or any 186 rules and regulations promulgated pursuant to this article as 187 authorized by Section 13-3-57, and also upon nonresidents, his or 188 her executor, administrator, receiver, trustee or any other 189 appointed representative of such nonresident who have qualified 190 under the laws of this state to do business herein. Service of 191 summons and process upon the alleged violator of this article 192 shall be had or made as is provided by the Mississippi Rules of 193 Civil Procedure. 194 SECTION 15. Any party aggrieved by any final order of the 195 196 promulgated pursuant to this article, shall have the right of 197

commission pursuant to this article, or any rules and regulations appeal to the Chancery Court of Hinds County, Mississippi, First Judicial District.

SECTION 16. No provider of telephonic Caller Identification Service, local exchange telephone company or long distance company certificated by the commission may be held liable for violations of this article committed by other persons or entities.

SECTION 17. If any section, paragraph, sentence, phrase or any part of this article shall be held invalid or unconstitutional, such holding shall not affect any other section, paragraph, sentence, clause, phrase or part of this article which is not in and of itself invalid or unconstitutional. Moreover, if the application of this article, or any portion of it, to any person or circumstance is held invalid, the invalidity shall not

198

199

200

201

202

203

204

205

206

207

208

209

- 210 affect the application of this article to other persons or
- 211 circumstances which can be given effect without the invalid
- 212 provision or application.
- 213 SECTION 18. Sections 1 through 18 of this act shall be
- 214 repealed on July 1, 2003.
- 215 SECTION 19. This act shall be codified as a new article
- 216 within Chapter 3, Title 77, Mississippi Code of 1972.
- 217 SECTION 20. This act shall take effect and be in force from
- 218 and after July 1, 2001.