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SUBSTITUTE SENATE BILL 5132

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Economic Development & Telecommunications (originally sponsored by Senators Kastama, B. Sheldon, Rasmussen, Franklin, Snyder, Prentice, Costa, Fraser, McAuliffe, Kohl-Welles, Fairley, Jacobsen, Kline, Winsley and Eide)

READ FIRST TIME 02/22/01.

- 1 AN ACT Relating to commercial telephone solicitation; amending
- 2 RCW 19.158.110; adding new sections to chapter 19.158 RCW;
- 3 prescribing penalties; and providing an effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 19.158.110 and 1989 c 20 s 11 are each amended to read 6 as follows:
- 7 (1) Within the first minute of the telephone call, a commercial
- 8 telephone solicitor or salesperson shall:
- 9 (a) Identify himself or herself, the company on whose behalf
- 10 the solicitation is being made, the property, goods, or services
- 11 being sold; and
- 12 (b) Terminate the telephone call within ten seconds if the
- 13 purchaser indicates he or she does not wish to continue the
- 14 conversation.
- 15 (2) If at any time during the telephone contact, the purchaser
- 16 states or indicates that he or she does not wish to be called
- 17 again by the commercial telephone solicitor or wants to have his

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- $1\,$ or her name and individual telephone number removed from the
- 2 telephone lists used by the commercial telephone solicitor:
- 3 (a) The commercial telephone solicitor shall not make any
- 4 additional commercial telephone solicitation of the called party
- 5 at that telephone number within a period of at least one year; and
- 6 (b) The commercial telephone solicitor shall not sell or give
- 7 the called party's name and telephone number to another commercial
- 8 telephone solicitor: PROVIDED, That the commercial telephone
- 9 solicitor may return the list, including the called party's name
- 10 and telephone number, to the company or organization from which it
- 11 received the list.
- 12 (3) The utilities and transportation commission shall by rule
- 13 ensure that telecommunications companies inform their residential
- 14 customers of the provisions of this section and section 2 of this
- 15 <u>act</u>. The notification may be made by:
- 16 (a) Annual inserts in the billing statements mailed to
- 17 residential customers; or
- 18 (b) Conspicuous publication of the notice in the consumer
- 19 information pages of local telephone directories.
- 20 (4) If a sale or an agreement to purchase is completed, the
- 21 commercial telephone solicitor must inform the purchaser of his or
- 22 her cancellation rights as enunciated in this chapter, state the
- 23 registration number issued by the department of licensing, and
- 24 give the street address of the seller.
- 25 (5) If, at any time prior to sale or agreement to purchase, the
- 26 commercial telephone solicitor's registration number is requested
- 27 by the purchaser, it must be provided.
- 28 (6) All oral disclosures required by this section shall be made
- 29 in a clear and intelligible manner.
- 30 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 19.158
- 31 RCW to read as follows:
- 32 (1)(a) The department of licensing shall provide for the
- 33 establishment and operation of a list of telephone numbers of
- 34 persons who object to receiving commercial telephone
- 35 solicitations. The list shall be called the do not call list. The
- 36 department shall update the list quarterly, and shall provide the

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- list, in written or electronic form, to commercial telephone 1 2 solicitors.
- 3 (b) No fee may be charged to a person for placing a telephone 4 number on the list. No fee may be charged to a person to inspect or 5 obtain the list.
- (c) The department of licensing shall establish an annual fee, 6 7 charged under this section, to maintain the do not call list in 8 this subsection (1). The fee shall be sufficient to support the 9 costs of administering and enforcing this section. Commercial 10 telephone solicitors subject to regulation under this chapter shall pay the annual maintenance fee before doing business in this 11 12 state.
- (d) Persons wishing to have their phone numbers placed on the 13 14 list must notify the department of licensing. A listing shall be 15 effective for two years, after which the person may renew the 16 listing for successive two-year periods by notifying the 17 department of licensing. The department of licensing shall determine the notification requirements. 18
- 19 (e) All fees collected by the department of licensing under 20 this section, and civil penalties and attorneys' fees collected by the attorney general in enforcing this section, shall be deposited 21 in the commercial telephone solicitation account created in 22 section 3 of this act, and used solely for the administration of 23 24 this section.
- 25 (2) No commercial telephone solicitor may make a commercial 26 telephone solicitation to any telephone number more than sixty days after the number appears on the current do not call list. 27

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(3) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW. In addition to any other penalties or remedies available under this chapter or chapter 19.86 RCW, a 36 37 person injured by a violation of subsection (2) of this section

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- 1 may bring an action for recovery of liquidated damages in the
- 2 amount of one thousand dollars per violation, plus court costs and
- 3 attorneys' fees.
- 4 (4) The director of the department of licensing may make rules,
- 5 create forms, and issue orders as necessary to carry out the
- 6 provisions of this section.
- 7 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 19.158
- 8 RCW to read as follows:
- 9 The commercial telephone solicitation account is created in the
- 10 custody of the state treasurer. All moneys received by the
- 11 department under section 2 of this act and civil penalties and
- 12 attorneys' fees collected by the attorney general in enforcing
- 13 section 2 of this act shall be deposited in the commercial
- 14 telephone solicitation account and used solely for the
- 15 administration of section 2 of this act. Only the director of the
- 16 department of licensing or the director's designee may authorize
- 17 expenditures from the account. The account is subject to allotment
- 18 procedures under chapter 43.88 RCW, but no appropriation is
- 19 required for expenditures.
- NEW SECTION. Sec. 4. This act takes effect January 1, 2002.

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