
HOUSE BILL 2378

State of Washington 53rd Legislature 1994 Regular Session

By Representatives Bray, Casada, Finkbeiner, Grant, Mielke, Kessler, Padden, Orr, Silver, Brown and Dellwo

Read first time 01/14/94. Referred to Committee on Energy & Utilities.

1 AN ACT Relating to competitive conditions and rates for providers
2 of alternate operator services or private pay telephone services;
3 amending RCW 80.36.510 and 80.36.520; adding new sections to chapter
4 80.36 RCW; and prescribing penalties.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 80.36.510 and 1988 c 91 s 1 are each amended to read
7 as follows:

8 The legislature finds that a growing number of companies provide,
9 in a nonresidential setting, telecommunications services necessary to
10 long distance service without disclosing the services provided or the
11 rate, charge or fee. The legislature finds that provision of these
12 services without disclosure to consumers is a deceptive trade practice.
13 The legislature further finds that providers of alternate operator
14 services who disclose service and rate information to consumers as
15 required by law, provide a valuable service to consumers in the state
16 of Washington. It is the intent of the legislature, to foster fair
17 competitive conditions, including fair rates, for providers of
18 alternate operator services.

1 **Sec. 2.** RCW 80.36.520 and 1988 c 91 s 2 are each amended to read
2 as follows:

3 The utilities and transportation commission shall by rule require,
4 at a minimum, that any telecommunications company, operating as or
5 contracting with an alternate operator services company, subject to the
6 limitation in section 3(5) of this act, assure appropriate disclosure
7 to consumers of the provision and the rate, charge or fee of services
8 provided by an alternate operator services company.

9 For the purposes of this chapter, "alternate operator services
10 company" means a person other than a local exchange company, providing
11 a connection to intrastate or interstate long-distance services from
12 places including, but not limited to, hotels, motels, hospitals, and
13 customer-owned pay telephones.

14 NEW SECTION. **Sec. 3.** A new section is added to chapter 80.36 RCW
15 to read as follows:

16 (1) Each provider of private pay telephone services, other than a
17 local exchange company, that is not already subject to registration
18 requirements as a provider of alternate operator services under RCW
19 80.36.522, shall pay to the commission reasonable fees set by the
20 commission to defray the cost of the inspection program established in
21 subsection (7) of this section. These fees shall be in lieu of the fee
22 imposed by RCW 80.24.010. Any provider of private pay telephone
23 services that provides services without being properly registered with
24 the commission is subject to a penalty of not more than one hundred
25 dollars for each and every offense. In case of a continuing offense,
26 every day's continuance shall be a separate offense. The penalty shall
27 be recovered in an action as provided in RCW 80.04.400.

28 (2) Each provider of private pay telephone services, other than a
29 local exchange company, shall post the pay telephones under its control
30 with information as required by the utilities and transportation
31 commission through its regulations, including at a minimum the name and
32 address of the owner of the private pay telephone, the name and address
33 of the presubscribed provider of operator services, a toll-free number
34 to call for rate information and if applicable, a statement that the
35 rates for operator services at that telephone may be different from
36 prevailing rates.

37 (3) Each provider of private pay telephone services, beginning not
38 later than thirty days after the effective date of this section, shall

1 ensure that each of its telephones presubscribed to a provider of
2 operator services allows the consumer to use "800," "900," "950," and
3 where available "10XXX" access numbers to obtain access to the provider
4 of operator services desired by the consumer. For purposes of this
5 subsection, "consumer" means a person initiating any intrastate
6 telephone call using operator services.

7 (4) Each provider of alternate operator services shall audibly
8 identify itself to consumers on each telephone call, by means of
9 statements made once prior to completion of processing of the call,
10 indicating the provider's name as registered with the utilities and
11 transportation commission, and including a statement that consumers may
12 obtain rate quotes by requesting them from the provider, and giving
13 appropriate dialing instructions for such rate quotes when the rates
14 for the call are greater than the rates charged by the prevailing
15 carrier for an identical call.

16 (5) The utilities and transportation commission shall neither adopt
17 nor enforce any rule which would penalize an alternate operator
18 services provider that is not also a private pay telephone provider,
19 for acts or omissions of a private pay telephone provider that violate
20 either subsection (2) or (3) of this section, or both subsections (2)
21 and (3) of this section. Notwithstanding the provisions of RCW
22 80.04.090, the utilities and transportation commission shall not
23 require an alternate operator services provider that is otherwise in
24 compliance with the requirements of this section and RCW 80.36.520,
25 80.36.522, 80.36.524, and section 4 of this act to keep its books of
26 accounts in any manner other than generally accepted accounting
27 principles.

28 (6) The utilities and transportation commission shall adopt and
29 enforce rules that require any provider of alternate operator services
30 that provides operator services to a provider of private pay telephone
31 services that has been found to have violated either subsection (2) or
32 (3) of this section, or both subsections (2) and (3) of this section,
33 and has not ceased the violations after having been notified and
34 directed to cease the violations by either the provider of alternate
35 operator services or the commission, to discontinue providing alternate
36 operator services to any location at which those violations have
37 occurred. A provider of alternate operator services shall, within ten
38 days of receiving written notification of violations at a presubscribed
39 location by the commission, notify the provider of pay telephone

1 services involved and direct the provider to cease the violations
2 immediately. If, upon the expiration of thirty days from the notice to
3 the provider of pay telephone services, the violations have not ceased,
4 the provider of alternate operator services shall immediately
5 discontinue services at all such locations. The utilities and
6 transportation commission shall notify all providers of alternate
7 operator services registered to do business in Washington of any such
8 discontinuance, and no registered provider of alternate operator
9 services may provide service to a provider of pay telephone services
10 whose service has been discontinued for such uncorrected violations,
11 until the commission verifies that the violations have ceased.

12 (7) The commission shall adopt rules establishing and maintaining
13 an inspection program to ensure that providers of private pay telephone
14 services and alternate operator services comply with the requirements
15 of this section and RCW 80.36.520, 80.36.522, 80.36.524, and section 4
16 of this act. The cost of this program shall be defrayed by the
17 registration and annual fees collected from providers of private pay
18 telephone services and alternate operator services as established in
19 this section.

20 NEW SECTION. **Sec. 4.** A new section is added to chapter 80.36 RCW
21 to read as follows:

22 (1) Each provider of alternate operator services shall annually
23 notify, in writing, each provider of private pay telephone services to
24 which that provider of alternate operator services is presubscribed,
25 and shall also notify each such provider of pay telephone services in
26 writing at the time of initial presubscription, of the requirements of
27 Washington statutes and rules that apply to providers of private pay
28 telephone services.

29 (2) Each provider of alternate operator services shall discontinue
30 service to any location operated by a provider of private pay
31 telephones when notified by the utilities and transportation commission
32 that the provider of private pay telephone services at that location
33 has violated the statutes and rules applicable to private pay telephone
34 services. Any provider of alternate operator services that fails to
35 discontinue service to a location after notice of violations from the
36 commission or to provide timely notices to providers of private pay
37 telephone services as required under subsection (1) of this section, is
38 subject to a penalty of up to one hundred dollars for each such

1 failure. In the case of continuing violations, each day's continuation
2 shall be a separate violation.

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