

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 718

(Senator Garagiola)

Finance

Economic Matters

Telephone Companies - Distribution of Telephone Directories

This bill allows a telephone company to require its customers to opt-in to receiving a copy of a telephone directory, as long as the telephone company provides notice as to how a customer may request a print telephone directory. The notice must (1) include a toll-free telephone number a customer may call to request a print telephone directory; (2) be included in each customer's bill at least once each year and placed on the company's website; and (3) be included in bold red print on the front cover and the table of contents page of any print advertisement-based business directory distributed on behalf of the telephone company through September 30, 2016. If a customer requests a print telephone directory, the telephone company must deliver the directory to the customer at no cost to the customer. The bill does not apply to advertisement-based business directories distributed by or on behalf of a telephone company. The Public Service Commission (PSC) must review complaints received from residential customers who have indicated that they have not received a print telephone directory and determine whether the bill's notification requirement is adequate for various customer groups. PSC must report its findings to the Senate Finance Committee and the House Economic Matters Committee by October 1, 2013.

Fiscal Summary

State Effect: None. PSC can implement the bill with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Code of Maryland Regulations (COMAR 20.45.04.11) requires telephone companies to publish an alphabetical directory once a year. The directory must include each customer, except public telephones and numbers unlisted at the customer's request. The telephone company must provide each customer with a copy of the directory or directories covering his or her area. Additional copies must be made available upon request and a copy must be filed with PSC.

A "telephone company" means a public service company that owns telephone lines to receive, transmit, or communicate telephone or teletype communications; or leases, licenses, or sells telephone or teletype communications. A telephone company does not include a cellular service provider.

Background: PSC regulates gas, electric, telephone, water, sewage disposal, and certain passenger transportation companies doing business in Maryland. PSC is authorized to hear and decide matters relating to (1) rate adjustments; (2) applications to exercise or abandon franchises; (3) approval of issuance of securities; (4) promulgation of new rules and regulations; and (5) quality of utility and common carrier service. PSC sets utility rates, collects and maintains records and reports of public service companies, reviews plans for service, inspects equipment, audits financial records, handles consumer complaints, promulgates and enforces rules and regulations, defends its decisions on appeal to State courts, and intervenes in relevant cases before federal regulatory commissions and federal courts.

In September 2010 Verizon Maryland, Inc. (Verizon) filed a notice with PSC, that effective January 2011, residential white page directory listings in Maryland will only be provided (1) on the Verizon website; (2) upon request, in an electronic format that customers can use on computers or digital devices; or (3) upon request, in the traditional paper-printed format (free of charge). PSC did not approve Verizon's proposal to require customers to opt-in to receiving paper copies of the white pages directory and invited Verizon to submit additional information along with a revised educational proposal to address PSC's concerns about the appropriate notification to customers.

The U.S. Environmental Protection Agency estimated that in 2008 alone, print telephone directories accounted for 840,000 tons of paper waste nationally.

Additional Information

Prior Introductions: None.

Cross File: HB 529 (Delegate A. Miller, *et al.*) - Economic Matters.

Information Source(s): Department of Legislative Services

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