

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 496 (Senator Roesser)

Finance

Telephone Solicitations - Regulations

This bill requires the Public Service Commission (PSC) to (1) compile and operate a database containing a list of telephone numbers of residential subscribers who object to receiving telephone solicitations prior to January 1, 2000; and (2) adopt certain regulations, including one that specifies the fee that a person must pay to obtain a copy of the database. If the Federal Communication Commission establishes a single national database, the PSC must include information relating to Maryland in the Maryland database.

The bill requires a person that makes telephone solicitations to residential subscribers in Maryland to purchase the database from the PSC, and prohibits a person from making telephone solicitations to subscribers listed in the database. The bill requires persons that make such telephone solicitations to state clearly their identity, and forbids persons to knowingly block the subscriber's use of a caller identification service. The use of automated dialing, push button, or tone activated devices that operate sequentially or are otherwise unable to avoid contacting residential subscribers who are in the database is prima facie evidence of an intention to violate the bill's provisions. The bill does not apply to the use of automated dialing equipment for the purpose of advising customers concerning merchandise or goods or services previously ordered, and it is a defense to an action brought under the provisions of this bill that the defendant has implemented reasonable practices and procedures to effectively prevent unlawful telephone solicitations.

A person receiving a telephone call in violation of the bill's provisions may bring an action to recover reasonable attorney's fees and the greater of \$1,000 or actual damages. A violation of the bill's provisions constitutes an unfair and deceptive trade practice, and a violation involving a solicitation offering credit services is a violation of the Maryland Credit Services Businesses Act.

Fiscal Summary

State Effect: None. The Public Service Commission could handle any additional workload resulting from this bill with existing resources. The PSC would recover the cost of providing a copy of the database by charging a fee. Assuming that the Consumer Protection Division receives fewer than 50 complaints as a result of this bill, any additional workload could be handled with existing resources. Any cost recovery by the Attorney General resulting from actions brought under the unfair and deceptive trade practices provision cannot be quantified beforehand.

Local Effect: None.

Small Business Effect: Potential meaningful. This bill could have a meaningful effect on small businesses to the extent that they conduct their marketing efforts by telephone. These businesses would also incur the cost of purchasing the list of residential subscribers who object to receiving telephone solicitations.

Information Sources: Public Service Commission, Office of the Attorney General

Fiscal Note History: First Reader - March 5, 1999

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