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2001 HOUSE INDUSTRY, BUSINESS AND LABOR
HB 1093

### 2001 HOUSE STANDING COMMITTEE MINUTES

### **BILL/RESOLUTION NO. HB 1093**

House Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date Jan 17, 2001

Tape Number	Tape Number Side A		Side B	Meter #
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Committee Clerk	Sign <del>ature</del>	Dedo	De	

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G.

Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang,

Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Illona A Jeffcoat-Sacco: Public Service Commissioner Written testimony sponsoring bill

Rep Ekstrom: How many slamming and cramming complaint's are we receiving at present?

Illona: About 5 complaints, this is reduced since last session.

Rep Ekstrom: Do we have to revisit the statues every session?

Illona: I don't see that happening.

Chairman Berg: We'll close the hearing on HB 1093. What are the committees wishes?

Rep Klein: I move a do pass.

Rep Kusper: I second.

14 yeas, 0 nays, 1 absent

Carrier Rep Ekstrom

Date: /-/7-0/

Roll Call Vote #: 1

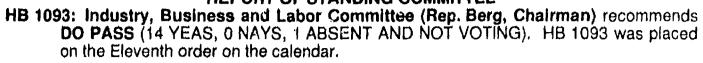
# 2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. Click here to type \$111/Resolution No. 1093

House Industry, Business and Labor				Commince	
Subcommittee on					
Conference Committee					
Legislative Council Amendment Nu	ımber _	A-		ar the stated of the state of the state of	
Action Taken Do Pass					, <u></u> ,
Motion Made By	in	Se	conded By Kasi	201	سندنست شريب بيراب
Representatives	Yes	No	Representatives	Yes	No
-Chairman- Rick Berg	Rep. Jim Kasper				
Vice-Chairman George Keiser			Rep. Matthew M. Klein		
Rep. Mary Ekstorm	V		Rep. Myron Koppang		
Rep. Rod Froelich			Rep. Doug Lemieux		
Rep. Glen Froseth			*Rep. Bill Pietsch		
Rep. Roxanne Jensen	V		•Rep. Dan Ruby		
Rep. Nancy Johnson			Rep. Dale C. Severson		
			Rep. Elwood Thorpe		
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REPORT OF STANDING COMMITTEE (410) January 17, 2001 4:50 p.m.

Module No: HR-07-1179
Carrier: Ekstrom
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2001 SENATE INDUSTRY, BUSINESS AND LABOR
HB 1093

#### 2001 SENATE STANDING COMMITTEE MINUTES

#### **BILL/RESOLUTION NO. HB 1093**

Senate Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date February 20, 2001.

Tape Number		Side A	Side B	Meter #			
	1	Χ		3.2 to 9.5			
Committee Clerk Signature Down & Persz							

#### Minutes:

The meeting was called to order. All committee members present. Hearing was opened on HB 1093 relating to unauthorized charges in telecommunications service and providers.

Illona A Jeffcoat-Sacco, Public Service Commission. Written testimony attached. Intent to reenact the statutory authority for the Public Service Commission to enforce FCC rules.

Senator Espegard: What is slamming?

I Jeffcoat-Sacco: Unauthorized change in services without customer's approval. It is a good idea for the state to handle all slamming, since frequently there is inter and intrastate slamming.

Senator Mutch: Is this a big problem in North Dakota?

I Jeffcoat-Sacco: The problem has been reduced but not eliminated.

No opposing testimony. Hearing closed.

Senator Tollefson: Motion: do pass. Senator Krebsbach: Second.

Roll call vote: 7 yes; 0 no. Motion carried. Floor assignment: Senator Tollefson.

Date: Feb 20/0/ Roll Call Vote #: 1

# 2001 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. /ひくろ

Senate Industry, Business and Labor					Committee	
Subcommittee on						
or						
Conference Committee						
Legislative Council Amendment Nu	ımber _	*			<del></del>	
Action Taken DO	ass			***************************************	<u></u>	
Motion Made By	llefse	Se By	conded Sent.	(b) bac	h	
Senators	Yes	No	Senators	Yes	No	
Senator Mutch - Chairman			Senator Every			
Senator Klein - Vice Chairman			Senator Mathern			
Senator Espegard						
Senator Krebsbach						
Senator Tollefson						
Total (Yes)		No	0			
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If the vote is on an amendment, brie	fly indicat	e inten	<b>†</b> 1			

## REPORT OF STANDING COMMITTEE (410) February 20, 2001 11:03 a.m.

Module No: SR-31-3972 Carrier: Tollefson Insert LC: Title:

### REPORT OF STANDING COMMITTEE

HB 1093: Industry, Business and Labor Committee (Sen. Mutch, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1093 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

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### H.B. 1093

Presented by: Illona A. Jeffcoat-Sacco

**Public Service Commission** 

Before: House Industry Business and Labor Committee

Honorable Rick Berg, Chairman

**Date:** 17 January 2001

### TESTIMONY

Chairman Berg and members of the Industry, Business and Labor Committee, I am Illona Jeffcoat-Sacco, the director of the Public Utilities Division of the Public Service Commission. H.B. 1093 was introduced at the request of the Public Service Commission and I represent the Commission with my testimony here today.

In 1999, the legislature passed North Dakota's slamming and cramming law, N.D.C.C. section 49-21-02.4. This law required telephone companies to comply with the rules of the Federal Communications Commission (FCC) regarding unauthorized changes in service or carriers, and authorized the Public Service Commission to enforce those FCC rules.

Section 49-21-02.4 was, if you will, an adoption of the FCC slamming rules by reference. Consequently, any changes in those rules after adoption by the 1999 legislature are not adopted by that enactment. Between 1999 and today the FCC did adopt substantial changes to their rules concerning liability for toll charges that may result from slamming, and the appropriate process to use to



handle and resolve slamming complaints. These changes were adopted in large part in response to concerns raised by both industry and consumers.

The revised rules eventually promulgated by the FCC included, in response to a suggestion from state utility commissions, authorization for states to handle "federal" slamming complaints related to each respective state, including those involving interstate service and those received by the FCC. States may opt to handle all such complaints by notifying the FCC of their intent to do so and providing a summary of the state procedures that will be used. The option provides an opportunity for both customers and utilities to deal with slamming complaints close to home in an environment that is both familiar and "user friendly."

The North Dakota Public Service Commission has notified the FCC that the state legislature needs to reenact the statute prior to any Public Service Commission decision to handle "federal" North Dakota slamming complaints. A copy of the Public Service Commission's letter to the FCC and a copy of a press release from the National Association of Regulatory Utility Commissioners are attached to this testimony.

This completes my testimony. I will be happy to answer any questions you may have.



## **Public Service Commission**

State of North Dakota

COMMISSIONERS

Bruce Hagen
President
Susan B. Wefald
Leo M. Reinbold

22 November 2000

600 E Boulevard Ave. Dept. 408 Bismarck, North Dakota 58505-0480 e-mail: sab@oracle.psc.state.nd.us TDD 800-366-6888 Fax 701-328-2410 Phone 701-328-2400

Executive Secretary
Jon H. Mielke

Magalie Roman Salas FCC Secretary Office of the Secretary Federal Communications Commission 445 Twelfth Street SW, TW-A325 Washington, D.C. 20554

The 1999 North Dakota legislature enacted North Dakota Century Code section 49-21-02.4, a statute requiring telecommunications companies in North Dakota to comply with the Federal Communication Commission's slamming rules and authorizing the North Dakota Public Service Commission to enforce those rules. A copy of that statute is enclosed.

Due to the fact that the FCC rules have changed somewhat since the enactment of the statute in North Dakota, the statutory authority for the Commission to enforce the FCC rules must be re-enacted to incorporate the current rule provisions, rather than those in effect when the 1999 statute was enacted. For this reason, we cannot at this time opt in to the FCC proposal for states to handle all FCC and state slamming complaints.

However, we intend to propose legislation in the 2001 session to reenact the enforcement authority and plan to opt in to the FCC plan when the legislation becomes effective. We expect no problems with the passage of the proposed bill and we expect an effective date no later that 1 August 2001.

Sincerely,

Susan Wefald

Commissioner

Bruce Hagen

President

Leo M. Reinbold

Commissioner

c: FCC Consumer Information Bureau Chief



Wefald, Susan E

From: Ra

Ramsay, James [ramsay@naruc.org] Tuesday, November 28, 2000 5:13 PM

Sent: To:

NARUC Committee on Consumer Affairs

Cc:

Gray, Charles

Sublect:

NARUC PRESS RELEASE - 32 STATES "OPT IN" TO FCC SLAMMING RULES

### **Contact: Brad Ramsay**

Federal Communications Commission's revised telephone "slamming" rules NOW IN EFFECT THIRTY-TWO STATES have Opted in Already - More expected to participate in the Program.

Washington, D.C. -. "Slamming," the single largest source of complaints to the Commission over the last several years, is the unauthorized change of a consumer's preferred telephone carrier. The Federal Communications Commission's Common Carrier Bureau announced earlier that the revised telephone slamming liability rules adopted earlier this year will take effect today, November 28, 2000.

Currently, thirty-two states have filed letters opting into the program, including, Alabama, Arkansas, Connecticut, Colorado, District of Columbia, Florida, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Montana, Nebraska, Nevada, New York, New Hampshire, North Carolina, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, and Wyoming. In addition, both North Dakota and Idaho filed letters with the FCC suggesting they are likely to opt in shortly after additional procedures are completed.

NARUC Consumer Affairs Chairman, Washington UTC Commissioner Bill Gills said:

"The FCC has worked long and hard with the States to get this program up and running. The entire Buruea Staff is to be especially commended as well as the leadership exhibited by the FCC Commissioners in implementing this proposal. I'm certain that even more states will be opting into the program soon. I'd also like to thank the hard working staff of the NARUC Committee on Consumer Affairs for their work on Best Practices and in helping to coordinate discussions on implementation issues."

"Finally, I should point out that I honestly believe this approach - which leverages the enforcement efforts and fining/refund authority of the individual states and the FCC - will take the profit out of slamming, increase the incentives for authorized carriers to go after slammers, and help provide the maximum relief for consumers."

James Bradford Ramsay General Counsel National Association of Regulatory Utility Commissioners 1101 Vermont Avenue, Suite 200 Washington, DC 20005

Phone: 202.898.2207 Fax: 202.898.2213

E-Mail: iramsay@naruc.org

### H.B. 1093

Presented by: Illona A. Jeffcoat-Sacco

**Public Service Commission** 

Before:

Senate Industry Business and Labor Committee

Honorable Duane Mutch, Chairman

Date:

20 February 2001

### **TESTIMONY**

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