

1 AN ACT concerning utilities.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding
5 Sections 13-230, 13-231, 13-232, 13-233, 13-404.1, and
6 13-404.2 as follows:

7 (220 ILCS 5/13-230 new)

8 Sec. 13-230. Prepaid calling service. "Prepaid calling
9 service" means telecommunications service that must be paid for
10 in advance by an end user, enables the end user to originate
11 calls using an access number or authorization code, whether
12 manually or electronically dialed, and is sold in predetermined
13 units or dollars of which the number declines with use in a
14 known amount. A prepaid calling service call is a call made by
15 an end user using prepaid calling service. "Prepaid calling
16 service" does not include prepaid wireless telephone service as
17 defined in Section 10 of the Wireless Emergency Telephone
18 Safety Act.

19 (220 ILCS 5/13-231 new)

20 Sec. 13-231. Prepaid calling service provider. "Prepaid
21 calling service provider" means and includes every
22 corporation, company, association, joint stock company or
23 association, firm, partnership, or individual and their
24 lessees, trustees, or receivers appointed by any court
25 whatsoever that contracts directly with a telecommunications
26 carrier to resell or offers to resell telecommunications
27 service as prepaid calling service to one or more distributors,
28 prepaid calling resellers, prepaid calling service retailers,
29 or end users.

30 (220 ILCS 5/13-232 new)

1 Sec. 13-232. Prepaid calling service retailer. "Prepaid
2 calling service retailer" means and includes every
3 corporation, company, association, joint stock company or
4 association, firm, partnership or individual and their
5 lessees, trustees, or receivers appointed by any court
6 whatsoever that sells or offers to sell prepaid calling service
7 directly to one or more end users.

8 (220 ILCS 5/13-233 new)

9 Sec. 13-233. Prepaid calling service reseller. "Prepaid
10 calling service reseller" means and includes every
11 corporation, company, association, joint stock company or
12 association, firm, partnership or individual and their
13 lessees, trustees, or receivers appointed by any court
14 whatsoever that purchases prepaid calling services from a
15 prepaid calling service provider and sells those services to
16 one or more distributors of prepaid calling services or to one
17 or more prepaid calling service retailers.

18 (220 ILCS 5/13-404.1 new)

19 Sec. 13-404.1. Prepaid calling service authority; rules.

20 (a) The General Assembly finds that it is necessary to
21 require the certification of prepaid calling service providers
22 to protect and promote against fraud the legitimate business
23 interests of persons or entities currently providing prepaid
24 calling service to Illinois end users and Illinois end users
25 who purchase these services.

26 (b) It shall be unlawful for any prepaid calling service
27 provider to offer or provide or seek to offer or provide to any
28 distributor, prepaid calling service reseller, prepaid calling
29 service retailer, or end user any prepaid calling service
30 unless the prepaid calling service provider has applied for and
31 received a Certificate of Prepaid Calling Service Provider
32 Authority from the Commission. The Commission shall approve an
33 application for a Certificate of Prepaid Calling Service
34 Provider Authority upon a showing by the applicant, and a

1 finding by the Commission, after notice and hearing, that the
2 applicant possesses sufficient technical, financial, and
3 managerial resources and abilities to provide prepaid calling
4 services. The Commission may adopt rules necessary for the
5 administration of this Section.

6 (c) Any and all enforcement authority granted to the
7 Commission under this Article over any Certificate of Service
8 Authority shall apply equally and without limitation to
9 Certificates of Prepaid Calling Service Provider Authority.

10 (220 ILCS 5/13-404.2 new)

11 Sec. 13-404.2. Prepaid calling service standards. The
12 Commission may establish and implement minimum service quality
13 standards for prepaid calling service, which may include fines,
14 penalties, customer credits, remedies, and other enforcement
15 mechanisms to ensure enforcement of the rules. The rules may
16 also require each prepaid calling service provider to provide
17 to the Commission, on a quarterly basis and in a form suitable
18 for posting on the Commission's website, a public report that
19 includes performance data for prepaid calling service quality.

20 Section 10. The Consumer Fraud and Deceptive Business
21 Practices Act is amended by adding Section 200 as follows:

22 (815 ILCS 505/200 new)

23 Sec. 200. Prepaid calling service.

24 (a) For purposes of this Section 200, the terms "Prepaid
25 Calling Service", "Prepaid Calling Service Provider", "Prepaid
26 Calling Service Retailer", and "Prepaid Calling Service
27 Reseller" shall have the same definitions as those in Sections
28 13-230, 13-231, 13-232, and 13-233, respectively, of the Public
29 Utilities Act.

30 (b) It is an unlawful practice under this Act for any
31 prepaid calling service provider or prepaid calling service
32 reseller to sell or offer to sell prepaid calling service to
33 any prepaid calling service retailer unless the prepaid calling

1 service provider has applied for and received a Certificate of
2 Prepaid Calling Service Provider Authority from the Illinois
3 Commerce Commission pursuant to the Public Utilities Act and
4 the prepaid calling service provider or prepaid calling service
5 reseller shows proof of the prepaid calling service provider's
6 Certificate of Prepaid Calling Service Provider Authority to
7 the prepaid calling service retailer.

8 (c) It is an unlawful practice under this Act for any
9 prepaid calling service retailer to sell or offer to sell
10 prepaid calling service to any consumer unless the prepaid
11 calling service retailer retains proof of certification of the
12 prepaid calling service provider by the Illinois Commerce
13 Commission pursuant to the Public Utilities Act. The prepaid
14 calling service retailer must retain proof of certification for
15 one year or the duration of the contract with the reseller,
16 whichever is longer.

17 (d) No prepaid calling service provider or prepaid calling
18 service reseller shall sell or offer to sell prepaid calling
19 service, as those terms are defined in Article XIII of the
20 Public Utilities Act, to any Illinois consumer, either directly
21 or through a prepaid calling service retailer, unless the
22 following disclosures are made clearly and conspicuously:

23 (1) At a minimum, the following terms and conditions
24 shall be disclosed clearly and conspicuously on the prepaid
25 calling card, if applicable:

26 (A) the full name of the Prepaid Calling Service
27 Provider as certificated by the Illinois Commerce
28 Commission; The toll-free customer service number;

29 (B) the toll-free network access number;

30 (C) the authorization code, if required to access
31 service; and

32 (D) a disclosure as to where the remaining terms,
33 refund policy, and conditions are disclosed (for
34 example, on the card, in the packaging, or in the
35 display materials).

36 (2) At a minimum, all the material terms and conditions

1 of the prepaid calling service shall be disclosed clearly
2 and conspicuously on the packaging materials accompanying
3 the prepaid calling card including, but not limited to, the
4 following, if applicable:

5 (A) the maximum charge per minute of prepaid
6 calling service;

7 (B) all surcharges and fees; and

8 (C) the expiration policy.

9 (3) At a minimum, the following information shall be
10 disclosed clearly and conspicuously and accurately through
11 the toll-free customer service telephone number for the
12 prepaid calling card, if requested:

13 (A) the Illinois Commerce Commission certificate
14 number of the Prepaid Calling Service Provider;

15 (B) all applicable rates, terms, surcharges, and
16 fees;

17 (C) the balance of use in the consumer's account;
18 and

19 (D) the applicable expiration date or period.