

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 or distributor and sells those  
16 services to one or more distributors of prepaid calling  
17 services or to one 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) On and after July 1, 2005, it shall be unlawful for any  
27 prepaid calling service provider to offer or provide or seek to  
28 offer or provide to any distributor, prepaid calling service  
29 reseller, prepaid calling service retailer, or end user any  
30 prepaid calling service unless the prepaid calling service  
31 provider has applied for and received a Certificate of Prepaid  
32 Calling Service Provider Authority from the Commission. The  
33 Commission shall approve an application for a Certificate of  
34 Prepaid Calling Service Provider Authority upon a showing by

1 the applicant, and a finding by the Commission, after notice  
2 and hearing, that the applicant possesses sufficient  
3 technical, financial, and managerial resources and abilities  
4 to provide prepaid calling services. The Commission shall  
5 approve an application for a Certificate of Prepaid Calling  
6 Service Provider Authority without a hearing upon a showing by  
7 the applicant that the Commission has issued an appropriate  
8 Certificate of Service Authority (whether a Certificate of  
9 Interexchange Service Authority or Certificate of Exchange  
10 Service Authority or both) to the applicant or the  
11 telecommunications carrier whose service the applicant is  
12 seeking to resell, provided that the telecommunications  
13 carrier remains in good standing with the Commission. The  
14 Commission may adopt rules necessary for the administration of  
15 this subsection.

16 (c) Upon issuance of a Certificate of Prepaid Calling  
17 Service Provider Authority to a prepaid calling service  
18 provider, the Commission shall post a list that contains the  
19 full legal name of the prepaid service provider, the docket  
20 number of the provider's certification proceeding, and the  
21 toll-free customer service number of the certified prepaid  
22 calling service provider on the Commission's web site on a link  
23 solely dedicated to prepaid calling service providers. If the  
24 certified prepaid calling service provider changes its  
25 toll-free customer service number, it is the duty of the  
26 certified prepaid calling service provider to provide the  
27 Commission with notice of the change and with the provider's  
28 new toll-free customer service number at least 24 hours prior  
29 to changing its toll-free customer service number. The  
30 Commission may adopt rules that further define the  
31 administration of this subsection.

32 (d) Any and all enforcement authority granted to the  
33 Commission under this Article over any Certificate of Service  
34 Authority shall apply equally and without limitation to  
35 Certificates of Prepaid Calling Service Provider Authority.

1 (220 ILCS 5/13-404.2 new)

2 Sec. 13-404.2. Prepaid calling service standards. The  
3 Commission, by rule, may establish and implement minimum  
4 service quality standards for prepaid calling service. The  
5 rules may include, but are not limited to, requiring access to  
6 a live customer service attendant through the customer service  
7 number, reporting requirements, fines, penalties, customer  
8 credits, remedies, and other enforcement mechanisms to ensure  
9 compliance with the service quality standards.

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

12 (815 ILCS 505/20Q new)

13 Sec. 20Q. Prepaid calling service.

14 (a) For purposes of this Section 20Q, the terms "Prepaid  
15 Calling Service", "Prepaid Calling Service Provider", "Prepaid  
16 Calling Service Retailer", and "Prepaid Calling Service  
17 Reseller" shall have the same definitions as those in Sections  
18 13-230, 13-231, 13-232, and 13-233, respectively, of the Public  
19 Utilities Act.

20 For the purposes of this Section, "international preferred  
21 destination" means a prepaid calling service that advertises a  
22 specific international destination either on the card, the  
23 packaging material accompanying the card, or through an  
24 offering of sale of the service.

25 (b) On and after July 1, 2005, it is an unlawful practice  
26 under this Act for any prepaid calling service provider or  
27 prepaid calling service reseller to sell or offer to sell  
28 prepaid calling service to any prepaid calling service retailer  
29 unless the prepaid calling service provider has applied for and  
30 received a Certificate of Prepaid Calling Service Provider  
31 Authority from the Illinois Commerce Commission pursuant to the  
32 Public Utilities Act and the prepaid calling service provider  
33 or prepaid calling service reseller shows proof of the prepaid  
34 calling service provider's Certificate of Prepaid Calling

1 Service Provider Authority to the prepaid calling service  
2 retailer.

3 (c) On and after July 1, 2005, it is an unlawful practice  
4 under this Act for any prepaid calling service retailer to sell  
5 or offer to sell prepaid calling service to any consumer unless  
6 the prepaid calling service retailer retains proof of  
7 certification of the prepaid calling service provider by the  
8 Illinois Commerce Commission pursuant to the Public Utilities  
9 Act. The prepaid calling service retailer must retain proof of  
10 certification for one year or the duration of the contract with  
11 the reseller, whichever is longer. A prepaid calling service  
12 retailer with multiple locations selling prepaid calling cards  
13 under contract with a prepaid calling service provider may keep  
14 the certification at a central location provided, however, that  
15 the prepaid calling service retailer make a copy of the  
16 certification available upon reasonable request within 48  
17 hours.

18 (d) On and after July 1, 2005, no prepaid calling service  
19 provider or prepaid calling service reseller shall sell or  
20 offer to sell prepaid calling service, as those terms are  
21 defined in Article XIII of the Public Utilities Act, to any  
22 Illinois consumer, either directly or through a prepaid calling  
23 service retailer, unless the following disclosures are made  
24 clearly and conspicuously:

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

28 (A) the full name of the Prepaid Calling Service  
29 Provider as certificated by the Illinois Commerce  
30 Commission;

31 (B) the toll-free customer service number;

32 (C) an access number that is toll-free or a number  
33 local to the prepaid calling retailer; and

34 (D) the refund policy or a statement that the  
35 refund policy is located on the packaging materials.

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

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

5 (A) the value of the card in minutes or the  
6 domestic rate per minute of the card;

7 (B) all surcharges and fees applicable to the use  
8 of the domestic prepaid calling service;

9 (C) all applicable rates for international  
10 preferred destinations;

11 (D) all applicable surcharges and fees for  
12 international preferred destinations;

13 (E) a disclosure statement indicating that all  
14 rates, surcharges, and fees applicable to  
15 international calls are available through the  
16 toll-free customer service number and a statement  
17 disclosing if international rates vary from domestic  
18 rates; and

19 (F) the expiration policy.

20 (3) At a minimum, the following information shall be  
21 disclosed clearly and conspicuously and accurately through  
22 the toll-free customer service telephone number through  
23 which the customer is able to speak with a live customer  
24 service representative:

25 (A) the Illinois Commerce Commission certificate  
26 number of the Prepaid Calling Service Provider;

27 (B) all applicable rates, terms, surcharges, and  
28 fees for domestic and international calls;

29 (C) all information necessary to determine the  
30 cost of a given call;

31 (D) the balance of use in the consumer's account;  
32 and

33 (E) the applicable expiration date or period.

34 The disclosures required under this subsection (d) do not  
35 apply to the recharging of dollars or minutes to a previously  
36 purchased card allowing prepaid calling service.