

AN ACT concerning utilities.

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

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

(220 ILCS 5/13-230 new)

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

(220 ILCS 5/13-231 new)

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

(220 ILCS 5/13-232 new)

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

(220 ILCS 5/13-233 new)

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

(220 ILCS 5/13-404.1 new)

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

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

(b) On and after July 1, 2005, it shall be unlawful for any prepaid calling service provider to offer or provide or seek to offer or provide to any distributor, prepaid calling service reseller, prepaid calling service retailer, or end user any prepaid calling service unless the prepaid calling service provider has applied for and received a Certificate of Prepaid Calling Service Provider Authority from the Commission. The Commission shall approve an application for a Certificate of Prepaid Calling Service Provider Authority upon a showing by

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

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

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

(220 ILCS 5/13-404.2 new)

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

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

(815 ILCS 505/200 new)

Sec. 200. Prepaid calling service.

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

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

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

Service Provider Authority to the prepaid calling service retailer.

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

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

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

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

(B) the toll-free customer service number;

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

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

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

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

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

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

(C) all applicable rates for international preferred destinations;

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

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

(F) the expiration policy.

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

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

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

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

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

(E) the applicable expiration date or period.

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