ENTITLED, An Act to revise the procedures to confirm a change of designated telecommunications companies.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 37-30A-9 be amended to read as follows:

37-30A-9. Notwithstanding the provisions of § 37-30A-8, no person may change the designated telecommunications company as defined in § 49-31-1(9) which is providing service to a consumer without the written confirmation in the form of a letter of agency from that consumer or confirmation by a third-party verification company. The third-party verification company shall meet each of the following criteria:

- (1) Be independent of the telecommunications company that seeks to provide the consumer's new service;
- (2) Not be directly managed, controlled, or directed, or owned wholly or in part, by the telecommunications company that seeks to provide the consumer's new service;
- (3) Operate from facilities physically separate from those of the telecommunications company that seeks to provide the consumer's new service; and
- (4) Not derive commissions or compensation based upon the number of sales confirmed.

The telecommunications company that seeks to provide the consumer's new service shall connect the consumer by telephone to the third-party verification company or shall arrange for the third-party verification company to call the consumer to confirm the change. The third-party verification company shall obtain the consumer's oral confirmation regarding the change and shall record that confirmation. The record shall include the information requested by the third-party verification company and the consumer's responses. The third-party verification company shall retain that record for twelve months. The record shall be available to the Public Utilities Commission and to the consumer at no cost. No information obtained from the consumer may be used for marketing

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purposes. If the telecommunications company or a third-party verification company acting on its behalf fails to comply with these third-party verification provisions, the Public Utilities Commission may revoke the telecommunication company's certificate of authority and may impose a civil fine of not less than two hundred dollars nor more than one thousand dollars for each offense. It is a violation of this Act for any person to make such an unauthorized change.

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I certify that the attached Act originated in the	Received at this Executive Office this day of,
HOUSE as Bill No. 1173	19 at M.
Chief Clerk	By for the Governor
Speaker of the House	The attached Act is hereby approved this day of, A.D., 19
Attest:	
Chief Clerk	Governor  STATE OF SOUTH DAKOTA,
President of the Senate	ss. Office of the Secretary of State
Attest:	Filed, 19 at o'clock M.
Secretary of the Senate	
	Secretary of State
House Bill No. <u>1173</u> File No Chapter No	By Asst. Secretary of State