

State of South Dakota

SEVENTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 1998

446B0646

HOUSE STATE AFFAIRS COMMITTEE ENGROSSED NO. **HB1173** - 2/9/98

Introduced by: Representative Hunt and Senator Everist

1 FOR AN ACT ENTITLED, An Act to revise the procedures to confirm a change of designated
2 telecommunications companies.

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

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

5 37-30A-9. Notwithstanding the provisions of § 37-30A-8, no person may change the
6 designated telecommunications company as defined in § 49-31-1(9) which is providing service
7 to a consumer without the written confirmation ~~of~~ in the form of a letter of agency from that
8 consumer or confirmation by a third-party verification company. The third-party verification
9 company shall meet each of the following criteria:

10 (1) Be independent of the telecommunications company that seeks to provide the
11 consumer's new service;

12 (2) Not be directly managed, controlled, or directed, or owned wholly or in part, by the
13 telecommunications company that seeks to provide the consumer's new service;

14 (3) Operate from facilities physically separate from those of the telecommunications
15 company that seeks to provide the consumer's new service; and

1 (4) Not derive commissions or compensation based upon the number of sales confirmed.
2 The telecommunications company that seeks to provide the consumer's new service shall
3 connect the consumer by telephone to the third-party verification company or shall arrange for
4 the third-party verification company to call the consumer to confirm the change. The third-party
5 verification company shall obtain the consumer's oral confirmation regarding the change and shall
6 record that confirmation. The record shall include the information requested by the third-party
7 verification company and the consumer's responses. The third-party verification company shall
8 retain that record for twelve months. The record shall be available to the Public Utilities
9 Commission and to the consumer at no cost. No information obtained from the consumer may
10 be used for marketing purposes. If the telecommunications company or a third-party verification
11 company acting on its behalf fails to comply with these third-party verification provisions, the
12 Public Utilities Commission may revoke the telecommunication company's certificate of authority
13 and may impose a civil fine of not less than two hundred dollars nor more than one thousand
14 dollars for each offense. It is a violation of this Act for any person to make such an unauthorized
15 change.

1 **BILL HISTORY**

2 1/21/98 First read in House and referred to State Affairs. H.J. 145

3 1/30/98 Scheduled for Committee hearing on this date.

4 1/30/98 Deferred to 36th legislative day, AYES 11, NAYS 2. H.J. 316

5 2/6/98 State Affairs Reconsidered, AYES 10, NAYS 0.

6 2/6/98 State Affairs Do Pass Amended, Passed, AYES 9, NAYS 1. H.J. 425