

- SUBJECT:** Restricting calls made by automated dial announcing devices
- COMMITTEE:** Business and Industry — favorable, without amendment
- VOTE:** 9 ayes — Brimer, Dukes, Corte, George, Giddings, Ritter, Siebert, Solomons, Woolley  
0 nays
- WITNESSES:** For — John E. Hill, American Association of Retired Persons  
Against — None
- BACKGROUND:** The Utilities Code defines an automated dial announcing device (ADAD) as automated equipment used for telephone solicitation or collection that can store telephone numbers to be called or produce numbers to be called through use of random or sequential number generation. It can convey a prerecorded or synthesized voice message to the number called without the use of a live operator. Current law allows telephone solicitors using ADADs to remain connected for 30 seconds after either party terminates a call.  
  
The Public Utility Commission (PUC) is required to investigate complaints about ADADs. The PUC can impose an administrative penalty of \$1,000 per day against a person in violation.
- DIGEST:** HB 450 would require a telephone solicitor using an ADAD to disconnect from a consumer's line within five seconds after either party terminates the call. The bill would take effect September 1, 1999.
- SUPPORTERS SAY:** HB 450 would limit the time solicitors could remain connected to phone lines after placing calls using ADADs. Tying up phone lines creates problems for individuals who need immediate access to their telephone, such as in the event of an emergency. People have complained that their phone lines have been tied up for several minutes after a call was terminated or that their answering machine's capacity was partially used up because an automatic call did not disconnect.

Many consumers do not want to be bothered by telephone solicitations and do not want to have access to their phone lines denied because of an unwanted solicitation by an ADAD. Legitimate telemarketing companies do not want to intrude on the privacy of consumers who do not wish to be bothered with unsolicited phone calls.

HB 450 would not place overly burdensome restrictions on telemarketers that use ADADs because these telemarketers already have to comply with state law that requires the phone calls to disconnect within 30 seconds after the call is terminated. Telemarketers who have a problem with complying with the five-second cutoff probably are already operating outside the law.

**OPPONENTS  
SAY:**

HB 450 could pose a problem for smaller telemarketers, such as small businesses or nonprofit organizations, who are using older, outdated ADAD equipment. These telemarketers might not be able to comply with the provisions of this bill.