



Rep. Kevin Joyce

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LRB096 04149 MJR 24016 a

1 AMENDMENT TO HOUSE BILL 728

2 AMENDMENT NO. _____. Amend House Bill 728, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Consumer Fraud and Deceptive Business
6 Practices Act is amended by changing Section 2TT as follows:

7 (815 ILCS 505/2TT)

8 Sec. 2TT. Prepaid calling service.

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

15 For purposes of this Section, "prepaid calling card" or
16 "card" means any right of use purchased for a sum certain that

1 contains an access number and authorization code that enables a
2 consumer to use a prepaid calling service. The rights of use
3 may be embodied on a card or other physical object or may be
4 purchased by an electronic or telephonic means through which
5 the purchaser obtains access numbers and authorization codes
6 that are not physically located on a card, its packaging, an
7 Internet website, or other promotional materials. "Prepaid
8 calling card" or "card" does not include cards or other rights
9 of use that provide access to any of the following:

10 (1) a telecommunications service where the card or
11 other rights of use and telecommunications service are
12 provided for free or at no additional charge as a
13 promotional item accompanying a product or service
14 purchased by a consumer; or

15 (2) a wireless telecommunications service account
16 where the purchaser has a pre-existing relationship with
17 the wireless service provider or establishes a
18 carrier-customer relationship through the purchase of the
19 object.

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

26 (b) On and after July 1, 2005, it is an unlawful practice

1 under this Act for any prepaid calling service provider or
2 prepaid calling service reseller to sell or offer to sell
3 prepaid calling service to any prepaid calling service retailer
4 unless the prepaid calling service provider has applied for and
5 received a Certificate of Prepaid Calling Service Provider
6 Authority from the Illinois Commerce Commission pursuant to the
7 Public Utilities Act and the prepaid calling service provider
8 or prepaid calling service reseller shows proof of the prepaid
9 calling service provider's Certificate of Prepaid Calling
10 Service Provider Authority to the prepaid calling service
11 retailer.

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

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

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

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

14 (B) the toll-free customer service number, and if
15 such service is not provided 24 hours per day, 7 days
16 per week, then the hours of service;

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

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

21 (2) At a minimum, all the material terms and conditions
22 pertaining to the specific prepaid calling card shall be
23 disclosed clearly and conspicuously on the prepaid calling
24 card or the packaging materials accompanying the prepaid
25 calling card, or visibly displayed at the point of sale,
26 including, but not limited to, the following, if

1 applicable:

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

4 (B) all surcharges, limitations on the use of
5 minutes available, and fees applicable to the use of
6 the domestic prepaid calling service;

7 (C) all applicable rates for international
8 preferred destinations;

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

11 (E) a disclosure statement indicating that all
12 rates, surcharges, and fees applicable to
13 international calls are available through the
14 toll-free customer service number and on the prepaid
15 calling service provider's website and a statement
16 disclosing if international rates vary from domestic
17 rates; and

18 (F) applicable policies relating to refund,
19 recharge, decrement, and expiration. If the card is
20 enclosed in opaque packaging, then the disclosures
21 shall be printed on the outside of the packaging of the
22 card ~~the expiration policy.~~

23 (3) At a minimum, the following information must ~~shall~~
24 be ~~disclosed clearly and conspicuously and~~ accurately
25 provided through the toll-free customer service telephone
26 number through which the customer is able to speak with a

1 live customer service representative:

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

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

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

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

10 (E) the applicable expiration date or period.

11 (4) In the case of a prepaid calling service that
12 consumers access and purchase via the Internet, the
13 disclosures required under this subsection (d) shall be
14 displayed in a clear and conspicuous location, including
15 conspicuous instructions and directions to any link to such
16 disclosures, on the Internet site that the consumer must
17 access prior to purchasing service.

18 (5) The disclosures required in this subsection (d)
19 shall also be printed on any signs for display by retail
20 merchants and on any other promotional material used at the
21 point of sale that is prepared by, or at the direction of,
22 a prepaid calling service provider, prepaid calling
23 service reseller, or prepaid calling service retailer.

24 (6) If a language other than English is predominately
25 used on a prepaid telephone calling card or its packaging
26 or in point of sale advertising or promotional material of

1 a prepaid calling service provider, prepaid calling
2 service reseller, or prepaid calling service retailer,
3 then the disclosures required by this subsection (d) shall
4 be disclosed in that language on the card, packaging,
5 advertisement, or promotional material.

6 Subject to the requirements of item (ii) of subsection (j)
7 of this Section, the disclosures required under this subsection
8 (d) do not apply to the recharging of dollars or minutes to a
9 previously purchased card allowing prepaid calling service.

10 (e) It shall be a violation of this Act for any prepaid
11 calling service provider, prepaid calling service reseller, or
12 prepaid calling service retailer to assess any fee associated
13 with the prepaid calling card or prepaid calling service, or
14 impose any charge for any permitted use of the prepaid calling
15 card or prepaid calling service if the fee or charge is not
16 disclosed as required under subsection (d) of this Section.

17 (f) It shall be a violation of this Act for any prepaid
18 calling service provider, prepaid calling service reseller, or
19 prepaid calling service retailer to make available fewer
20 minutes than the number of minutes promoted or advertised on
21 any prepaid calling card, any point of sale material relating
22 to the card, or the other advertising related to any prepaid
23 calling card or service. Any limitation on the period of time
24 for which the displayed, promoted, or advertised minutes will
25 be available to the customer shall be conspicuously displayed
26 on the card, packaging, and promotional material that lists the

1 minutes, and be consistent with subsection (d) of this Section.

2 (g) It shall be a violation of this Act for any prepaid
3 calling service provider, prepaid calling service reseller, or
4 prepaid calling service retailer to distribute any prepaid
5 calling card that the prepaid calling service provider, prepaid
6 calling service reseller, or prepaid calling service retailer
7 knows provides fewer minutes than the number of minutes
8 promoted or advertised on any prepaid calling card, any point
9 of sale material relating to such card, any voice prompt
10 indicating the number of minutes available, or other
11 advertising relating to any prepaid calling card or service.
12 Any limitations on the period of time for which the displayed,
13 promoted, or advertised minutes will be available to the
14 customer shall be conspicuously displayed on the card,
15 packaging, and promotional material that lists the minutes, and
16 be consistent with subsection (d) of this Section.

17 (h) It shall be a violation of this Act for any prepaid
18 calling service provider to provide fewer minutes than the
19 number of minutes promoted or advertised through any voice
20 prompt given to a customer at the time the customer places a
21 call to a dialed destination with the prepaid calling card.

22 (i) It shall be a violation of this Act for any prepaid
23 calling service reseller or prepaid calling service retailer to
24 distribute prepaid calling cards that it knows provide fewer
25 minutes than the number of minutes promoted or advertised
26 through any voice prompt given to a customer at the time the

1 customer places a call to a dialed destination with the prepaid
2 calling card.

3 (j) Unless a different expiration date is clearly disclosed
4 pursuant to the disclosure requirements under subsection (d) of
5 this Section, it shall be unlawful for any prepaid calling
6 service provider, prepaid calling service reseller, or prepaid
7 calling service retailer to provide, issue, resell, or
8 distribute a prepaid calling card that expires (i) less than
9 one year after the date on which the card or service is first
10 used or (ii) in the case of a prepaid calling card that permits
11 the consumer to purchase additional usage minutes or add
12 additional value to the card, less than one year from the date
13 on which the consumer last purchased additional usage minutes
14 or added additional value to the card.

15 (k) It shall be a violation of this Act for any prepaid
16 telephone calling service provider to assess any fee or charge
17 for any unconnected telephone call. For purposes of this
18 subsection (k), a telephone call shall not be considered
19 connected if the person placing the call receives a busy signal
20 or if the call is unanswered.

21 (l) Liability under this Section may not be avoided by
22 simply stating that the displayed, promoted, or advertised
23 minutes are subject to fees or charges. A prepaid calling
24 service provider, prepaid calling service reseller, or prepaid
25 calling service retailer shall not be liable for lawful fees,
26 charges, and limitations, including lawful conditions of use,

1 that are disclosed.

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

5 (Source: P.A. 95-331, eff. 8-21-07.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.".