

Commerce
DO pass per amend 3280 3-16-89 (p. 824)

reprinted

FILED FEB 16 1989

SENATE FILE 231
BY BRUNER

Passed Senate, Date 3-30-89 (p. 1096) Passed House, Date 4-10-89 (p. 1129)
Vote: Ayes 39 Nays 0 Vote: Ayes 94 Nays 0
Approved 5-2-89

A BILL FOR

1 An Act relating to the regulation of alternate operator services
2 and making civil penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 231

3280 amended act

1 Section 1. NEW SECTION. 476.75 ALTERNATE OPERATOR
2 SERVICES.

3 1. DEFINITIONS. As used in this section:

4 a. "Alternate operator services company" means a
5 telecommunications company which provides, in a nonresidential
6 setting, a connection to local, intrastate long distance, or
7 interstate long distance services for the clientele of its
8 customers under contract.

9 b. "Customer" means the hotel, motel, hospital, prison,
10 campus, customer-owned pay telephone, or other entity for
11 which an alternate operator services company has contracted
12 for the provision of telecommunication service.

13 c. "Consumer" means a client of the customer who is the
14 party billed for the completion of the local, intrastate, or
15 interstate call.

16 2. JURISDICTION -- CIVIL PENALTY APPLICABLE.

17 Notwithstanding section 476.1, an alternate operator services
18 company is subject to the provisions of this section and a
19 violation of this section subjects the company to civil
20 penalties under section 476.51.

21 3. REQUIREMENTS.

22 a. An alternate operator services company shall require,
23 as a part of the contract with its customer, that the customer
24 post on or near the telephone instrument in plain view of a
25 consumer using the telephone all of the following:

26 (1) The name and address of the alternate operator
27 services company.

28 (2) An example of total charges for a typical local and
29 long distance call assuming a direct-dialed, three-minute
30 credit card call, billed at day and evening rates.

31 (3) Dialing directions so that a consumer may reach the
32 operator to receive specific rate information.

33 (4) Dialing directions to access through that telephone
34 equipment all telecommunications companies that can be
35 accessed through the local telephone company providing service

1 to the customer.

2 b. The alternate operator services company shall do the
3 following:

4 (1) Identify the alternate operator services company
5 providing the service at the beginning of every call,
6 including those handled automatically.

7 (2) Provide to the local exchange company such information
8 as the board deems necessary for billing purposes, as well as
9 an address and toll-free telephone number for consumer
10 inquiries.

11 c. The alternate operator services company shall ensure
12 that consumers are not billed for calls which are not
13 completed. For billing purposes, calls shall be itemized,
14 identified, and rated from the point of origination to the
15 point of termination. A call shall not be transferred to
16 another carrier by an alternate operator services company
17 which cannot or will not complete the call, unless the call
18 can be billed in accordance with this paragraph.

19 EXPLANATION

20 This bill requires alternate operator services companies to
21 require that its customers post on or near the telephone
22 instrument in plain view of consumers using the telephone the
23 name and address of the alternate operator services company,
24 an example of total charges for a typical local and long
25 distance call, dialing directions so that a consumer may reach
26 an operator to receive specific rate information, and dialing
27 directions to access all telecommunications companies that can
28 be accessed through the local telephone company providing
29 service to the customer.

30 This bill also requires the alternate operator services
31 company to identify its name at the beginning of every call
32 and to provide to the local exchange company billing
33 information and an address and toll-free telephone number for
34 consumer inquiries. The alternate operator services company
35 shall ensure that consumers are not billed for calls which are

1 not completed.

2 A violation subjects the alternate operator services
3 company to civil penalties under section 476.51.

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SENATE FILE 231

S-3280

1 Amend Senate File 231 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

3461-4 "Section 1. NEW SECTION. 476.75 ALTERNATIVE
5 OPERATOR SERVICES.

6 1. DEFINITIONS. As used in this section:

7 a. An "alternative operator services company" is a
8 company which receives more than half of its Iowa
9 intrastate telecommunications services revenues from
10 local and toll calls and related operator and
11 switching services placed by end-user customers from
12 telephones other than ordinary residence or business
13 telephones.

14 b. "Alternative operator services" are local and
15 Iowa intrastate toll call services and related
16 operator and switching services provided by an
17 alternative operator services company to end-user
18 customers when placing calls from telephones other
19 than ordinary residence or business telephones.

20 c. "Contracting entity" means any entity owning
21 telephone equipment which has contracted with an
22 alternative operator services company to provide
23 alternative operator services.

24 d. An "end-user customer" is a person billed for
25 the use of alternative operator services.

26 e. "Other than ordinary residence or business
27 telephones" are telephones other than the residence or
28 business telephones of the typical caller using the
29 telephone. Examples include, but are not limited to,
30 pay telephones and telephones in motel, hotel,
31 hospital, and college dormitory rooms.

32 2. JURISDICTION. Notwithstanding any finding by
33 the board that a service or facility is subject to
34 competition and should be deregulated pursuant to
35 section 476.1, all alternative operator services and
36 alternative operator services companies are subject to
37 the jurisdiction of the board and to all requirements
38 and sanctions provided in this chapter. All
39 alternative operator services relating to Iowa
40 intrastate calls shall be rendered pursuant to tariff
41 approved by the board.

42 3. REQUIREMENTS.

43 a. An alternative operator services company shall
44 require as a part of the contract with any contracting
45 entity that the contracting entity post on or near the
46 telephone instrument in plain view of an end-user
47 customer using the telephone all of the following:

48 (1) The name and address of the alternative
49 operator services company.

50 (2) An example of total charges for a typical

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1 local and long distance call assuming a direct-dialed,
2 three-minute credit card call, billed at day and
3 evening rates.

4 (3) Dialing directions so that a consumer may
5 reach the operator to receive specific rate
6 information.

7 (4) Dialing directions to access through that
8 telephone equipment all telecommunications companies
9 that can be accessed through the local telephone
10 company providing service to the contracting entity.

11 b. The contracting entity shall comply with the
12 contract terms required by this section.

13 c. The alternative operator services company shall
14 do the following:

15 (1) Identify the alternative operator services
16 company providing the service at the beginning of
17 every call, including those handled automatically.

18 (2) Provide the local exchange company serving the
19 contracting entity with an address and toll free
20 telephone number for consumer inquiries.

21 (3) Include an address and toll-free telephone
22 number for consumer inquiries on each bill for
23 alternative operator services.

24 d. The alternative operator services company shall
25 ensure that end-user customers are not billed for
26 calls which are not completed. For billing purposes,
27 calls shall be itemized, identified, and rated from
28 the point of origination to the point of termination.
29 A call shall not be transferred to another carrier by
30 an alternative operator services company which cannot
31 or will not complete the call, unless the call can be
32 billed in accordance with this paragraph.

33 4. BILLING BY LOCAL EXCHANGE UTILITIES.
34 Notwithstanding any finding by the board that a
35 service or facility is subject to competition and
36 should be deregulated pursuant to section 476.1, no
37 regulated local exchange utility shall perform billing
38 and collections functions relating to alternative
39 operator services unless the alternative operator
40 services company has filed a statement signed by a
41 corporate officer, or other authorized person having
42 personal knowledge, that all Iowa intrastate
43 alternative operator services to be billed shall be
44 rendered pursuant to tariffs approved by the board."

By COMMITTEE ON COMMERCE

WILLIAM PALMER, Chairperson

S-3280 FILED MARCH 16, 1989

adapted 3-30-89 (p1096)

S-3461

1 Amend the amendment, S-3280, to Senate File 231 as
2 follows:

3 1. By striking page 1, line 4 through page 2,
4 line 44, and inserting the following:

5 "Sec. ____ . NEW SECTION. 476.75 ALTERNATIVE
6 OPERATOR SERVICES.

7 1. DEFINITIONS. As used in this section, unless
8 the context otherwise requires:

9 a. "Alternative operator services company" means a
10 nongovernmental company which receives more than half
11 of its Iowa intrastate telecommunications services
12 revenues from calls placed by end-user customers from
13 telephones other than ordinary residence or business
14 telephones. The definition is further limited to
15 include only companies which provide operator
16 assistance, either through live or automated
17 intervention, on calls placed from other than ordinary
18 residence or business telephones, and does not include
19 services provided under contract to rate-regulated
20 local exchange utilities.

21 b. "Contracting entity" means an entity providing
22 telephones other than ordinary residence or business
23 telephones for use by end-user customers which has
24 contracted with an alternative operator services
25 company to provide telecommunications services to
26 those telephones.

27 c. "End-user customer" means a person who places a
28 local or toll call.

29 d. "Other than ordinary residence or business
30 telephones" means telephones other than the residence
31 or business telephones of the customary users of the
32 telephones, including but not limited to pay
33 telephones and telephones in motel, hotel, hospital,
34 and college dormitory rooms.

35 2. JURISDICTION. Notwithstanding any finding by
36 the board that a service or facility is subject to
37 competition and should be deregulated pursuant to
38 section 476.1, all intrastate telecommunications
39 services provided by alternative operator services
40 companies to end-user customers, using other than
41 ordinary residence or business telephones, are subject
42 to the jurisdiction of the board and shall be rendered
43 pursuant to tariffs approved by the board.
44 Alternative operator services companies shall be
45 subject to all requirements and sanctions provided in
46 this chapter. Contracting entities shall be subject
47 to the requirements of any board regulations
48 concerning telecommunications services provided by
49 alternative operator services companies.

50 3. REQUIREMENTS. The board shall adopt and

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1 enforce requirements for the provision of services by
2 alternative operator services companies and
3 contracting entities.

4 4. BILLING BY LOCAL EXCHANGE UTILITIES.

5 Notwithstanding any finding by the board that a
6 service or facility is subject to competition and
7 should be deregulated pursuant to section 476.1, a
8 regulated local exchange utility shall not perform
9 billing and collection functions relating to regulated
10 telecommunications services provided by an alternative
11 operator services company, unless the alternative
12 operator services company has filed a statement with
13 the local exchange utility signed by a corporate
14 officer, or other authorized person having personal
15 knowledge, that all regulated telecommunications
16 services to be billed shall be rendered pursuant to
17 tariffs approved by the board.

18 Sec. _____. This Act, being deemed of immediate
19 importance, takes effect upon enactment."

By CHARLES BRUNER

S-3461 FILED MARCH 29, 1989

adopted 3-30-89 (4.1096)

House Small bus & Commerce
DO PASS per amend. 3797 (p. 185) 4-4-89

SENATE FILE 231
BY BRUNER

(AS AMENDED AND PASSED BY THE SENATE MARCH 30, 1989)
ALL New Language by the Senate

Passed Senate, Date 4-17-89 (p. 1484) Passed House, Date 4-10-89 (p. 1429)
Vote: Ayes 45 Nays 0 Vote: Ayes 94 Nays 0
Approved 52-89 (p. 1850)

A BILL FOR

3797-2 1 An Act relating to the regulation of alternate operator services
and making civil penalties applicable.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 231

3797amends all-

1 Section 1. NEW SECTION. 476.75 ALTERNATIVE OPERATOR
2 SERVICES.

3 1. DEFINITIONS. As used in this section, unless the
4 context otherwise requires:

5 a. "Alternative operator services company" means a
6 nongovernmental company which receives more than half of its
7 Iowa intrastate telecommunications services revenues from
8 calls placed by end-user customers from telephones other than
9 ordinary residence or business telephones. The definition is
10 further limited to include only companies which provide
11 operator assistance, either through live or automated
12 intervention, on calls placed from other than ordinary
13 residence or business telephones, and does not include
14 services provided under contract to rate-regulated local
15 exchange utilities.

16 b. "Contracting entity" means an entity providing
17 telephones other than ordinary residence or business
18 telephones for use by end-user customers which has contracted
19 with an alternative operator services company to provide
20 telecommunications services to those telephones.

21 c. "End-user customer" means a person who places a local
22 or toll call.

23 d. "Other than ordinary residence or business telephones"
24 means telephones other than the residence or business
25 telephones of the customary users of the telephones, including
26 but not limited to pay telephones and telephones in motel,
27 hotel, hospital, and college dormitory rooms.

28 2. JURISDICTION. Notwithstanding any finding by the board
29 that a service or facility is subject to competition and
30 should be deregulated pursuant to section 476.1, all
31 intrastate telecommunications services provided by alternative
32 operator services companies to end-user customers, using other
33 than ordinary residence or business telephones, are subject to
34 the jurisdiction of the board and shall be rendered pursuant
35 to tariffs approved by the board. Alternative operator

1 services companies shall be subject to all requirements and
2 sanctions provided in this chapter. Contracting entities
3 shall be subject to the requirements of any board regulations
4 concerning telecommunications services provided by alternative
5 operator services companies.

6 3. REQUIREMENTS. The board shall adopt and enforce
7 requirements for the provision of services by alternative
8 operator services companies and contracting entities.

9 4. BILLING BY LOCAL EXCHANGE UTILITIES. Notwithstanding
10 any finding by the board that a service or facility is subject
11 to competition and should be deregulated pursuant to section
12 476.1, a regulated local exchange utility shall not perform
13 billing and collection functions relating to regulated
14 telecommunications services provided by an alternative
15 operator services company, unless the alternative operator
16 services company has filed a statement with the local exchange
17 utility signed by a corporate officer, or other authorized
18 person having personal knowledge, that all regulated
19 telecommunications services to be billed shall be rendered
20 pursuant to tariffs approved by the board.

21 Sec. 2. This Act, being deemed of immediate importance,
22 takes effect upon enactment.

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SENATE FILE 231

H-3797

1 Amend Senate File 231 as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. NEW SECTION. 476.75 ALTERNATIVE
6 OPERATOR SERVICES.

7 1. DEFINITIONS. As used in this section, unless
8 the context otherwise requires:

9 a. "Alternative operator services company" means a
10 nongovernmental company which receives more than half
11 of its Iowa intrastate telecommunications services
12 revenues from calls placed by end-user customers from
13 telephones other than ordinary residence or business
14 telephones. The definition is further limited to
15 include only companies which provide operator
16 assistance, either through live or automated
17 intervention, on calls placed from other than ordinary
18 residence or business telephones, and does not include
19 services provided under contract to rate-regulated
20 local exchange utilities.

21 b. "Contracting entity" means an entity providing
22 telephones other than ordinary residence or business
23 telephones for use by end-user customers which has
24 contracted with an alternative operator services
25 company to provide telecommunications services to
26 those telephones.

27 c. "End-user customer" means a person who places a
28 local or toll call.

29 d. "Other than ordinary residence or business
30 telephones" means telephones other than the residence
31 or business telephones of the customary users of the
32 telephones, including but not limited to pay
33 telephones and telephones in motel, hotel, hospital,
34 and college dormitory rooms.

35 2. JURISDICTION. Notwithstanding any finding by
36 the board that a service or facility is subject to
37 competition and should be deregulated pursuant to
38 section 476.1, all intrastate telecommunications
39 services provided by alternative operator services
40 companies to end-user customers, using other than
41 ordinary residence or business telephones, are subject
42 to the jurisdiction of the board and shall be rendered
43 pursuant to tariffs approved by the board.

44 Alternative operator services companies shall be
45 subject to all requirements and sanctions provided in
46 this chapter. Contracting entities shall be subject
47 to the requirements of any board regulations
48 concerning telecommunications services provided by
49 alternative operator services companies.

50 3. REQUIREMENTS. The board shall adopt and

1 enforce requirements for the provision of services by
2 alternative operator services companies and
3 contracting entities.

4 4. BILLING BY LOCAL EXCHANGE UTILITIES.

5 Notwithstanding any finding by the board that a
6 service or facility is subject to competition and
7 should be deregulated pursuant to section 476.1, a
8 regulated local exchange utility shall not perform
9 billing and collection functions relating to regulated
10 telecommunications services provided by an alternative
11 operator services company, unless the alternative
12 operator services company has filed a statement with
13 the local exchange utility signed by a corporate
14 officer, or other authorized person having personal
15 knowledge, that all regulated telecommunications
16 services to be billed shall be rendered pursuant to
17 tariffs approved by the board.

18 Sec. 2. This Act, being deemed of immediate
19 importance, takes effect upon enactment."

20 2. Title page, by striking line 2 and inserting
21 the following: ", making civil penalties applicable,
22 and providing for an effective date".

By COMMITTEE ON SMALL BUSINESS
AND COMMERCE

DODERER of Johnson, Chairperson

H-3797 FILED APRIL 4, 1989

Adopted 4-10-89 (p.1429)

HOUSE AMENDMENT TO
SENATE FILE 231

S-3655

1 Amend Senate File 231 as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. NEW SECTION. 476.75 ALTERNATIVE
6 OPERATOR SERVICES.

7 1. DEFINITIONS. As used in this section, unless
8 the context otherwise requires:

9 a. "Alternative operator services company" means a
10 nongovernmental company which receives more than half
11 of its Iowa intrastate telecommunications services
12 revenues from calls placed by end-user customers from
13 telephones other than ordinary residence or business
14 telephones. The definition is further limited to
15 include only companies which provide operator
16 assistance, either through live or automated
17 intervention, on calls placed from other than ordinary
18 residence or business telephones, and does not include
19 services provided under contract to rate-regulated
20 local exchange utilities.

21 b. "Contracting entity" means an entity providing
22 telephones other than ordinary residence or business
23 telephones for use by end-user customers which has
24 contracted with an alternative operator services
25 company to provide telecommunications services to
26 those telephones.

27 c. "End-user customer" means a person who places a
28 local or toll call.

29 d. "Other than ordinary residence or business
30 telephones" means telephones other than the residence
31 or business telephones of the customary users of the
32 telephones, including but not limited to pay
33 telephones and telephones in motel, hotel, hospital,
34 and college dormitory rooms.

35 2. JURISDICTION. Notwithstanding any finding by
36 the board that a service or facility is subject to
37 competition and should be deregulated pursuant to
38 section 476.1, all intrastate telecommunications
39 services provided by alternative operator services
40 companies to end-user customers, using other than
41 ordinary residence or business telephones, are subject
42 to the jurisdiction of the board and shall be rendered
43 pursuant to tariffs approved by the board.

44 Alternative operator services companies shall be
45 subject to all requirements and sanctions provided in
46 this chapter. Contracting entities shall be subject
47 to the requirements of any board regulations
48 concerning telecommunications services provided by
49 alternative operator services companies.

50 3. REQUIREMENTS. The board shall adopt and

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1 enforce requirements for the provision of services by
2 alternative operator services companies and
3 contracting entities.

4 4. BILLING BY LOCAL EXCHANGE UTILITIES.
5 Notwithstanding any finding by the board that a
6 service or facility is subject to competition and
7 should be deregulated pursuant to section 476.1, a
8 regulated local exchange utility shall not perform
9 billing and collection functions relating to regulated
10 telecommunications services provided by an alternative
11 operator services company, unless the alternative
12 operator services company has filed a statement with
13 the local exchange utility signed by a corporate
14 officer, or other authorized person having personal
15 knowledge, that all regulated telecommunications
16 services to be billed shall be rendered pursuant to
17 tariffs approved by the board.

18 Sec. 2. This Act, being deemed of immediate
19 importance, takes effect upon enactment."

20 2. Title page, by striking line 2 and inserting
21 the following: ", making civil penalties applicable,
22 and providing for an effective date".

RECEIVED FROM THE HOUSE

S-3655 FILED APRIL 12, 1989

Concurred 4-17-89 (p. 1479)

SENATE FILE 231

AN ACT

RELATING TO THE REGULATION OF ALTERNATE OPERATOR SERVICES,
MAKING CIVIL PENALTIES APPLICABLE, AND PROVIDING FOR AN
EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 476.75 ALTERNATIVE OPERATOR
SERVICES.

1. DEFINITIONS. As used in this section, unless the
context otherwise requires:

a. "Alternative operator services company" means a
nongovernmental company which receives more than half of its
Iowa intrastate telecommunications services revenues from
calls placed by end-user customers from telephones other than
ordinary residence or business telephones. The definition is
further limited to include only companies which provide
operator assistance, either through live or automated
intervention, on calls placed from other than ordinary
residence or business telephones, and does not include
services provided under contract to rate-regulated local
exchange utilities.

b. "Contracting entity" means an entity providing
telephones other than ordinary residence or business
telephones for use by end-user customers which has contracted
with an alternative operator services company to provide
telecommunications services to those telephones.

c. "End-user customer" means a person who places a local
or toll call.

d. "Other than ordinary residence or business telephones"
means telephones other than the residence or business
telephones of the customary users of the telephones, including
but not limited to pay telephones and telephones in motel,
hotel, hospital, and college dormitory rooms.

2. JURISDICTION. Notwithstanding any finding by the board
that a service or facility is subject to competition and
should be deregulated pursuant to section 476.1, all
intrastate telecommunications services provided by alternative
operator services companies to end-user customers, using other
than ordinary residence or business telephones, are subject to
the jurisdiction of the board and shall be rendered pursuant
to tariffs approved by the board. Alternative operator
services companies shall be subject to all requirements and
sanctions provided in this chapter. Contracting entities
shall be subject to the requirements of any board regulations
concerning telecommunications services provided by alternative
operator services companies.

3. REQUIREMENTS. The board shall adopt and enforce
requirements for the provision of services by alternative
operator services companies and contracting entities.

4. BILLING BY LOCAL EXCHANGE UTILITIES. Notwithstanding
any finding by the board that a service or facility is subject
to competition and should be deregulated pursuant to section
476.1, a regulated local exchange utility shall not perform
billing and collection functions relating to regulated
telecommunications services provided by an alternative
operator services company, unless the alternative operator
services company has filed a statement with the local exchange
utility signed by a corporate officer, or other authorized
person having personal knowledge, that all regulated
telecommunications services to be billed shall be rendered
pursuant to tariffs approved by the board.

Sec. 2. This Act, being deemed of immediate importance, takes effect upon enactment.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 231, Seventy-third General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved May 2, 1989

TERRY E. BRANSTAD
Governor