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HOUSE FISCAL AGENCY

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HB4042 H-4	SUBSTITUTE	Sponsor Committee	Rep. Jennifer Faunce ENERGY AND TECHNOLOGY
HB4154 H-2	SUBSTITUTE	Sponsor Committee	Rep. Jim Howell ENERGY AND TECHNOLOGY
HB4250 H-2	SUBSTITUTE	Sponsor Committee	Rep. Michael Kowall ENERGY AND TECHNOLOGY
HB4631 H-2	SUBSTITUTE	Sponsor Committee	Rep. Joseph L. Rivet ENERGY AND TECHNOLOGY
HB4632 H-1	SUBSTITUTE	Sponsor Committee	Rep. Irma Clark ENERGY AND TECHNOLOGY
Analyst(s)	Schneider, Bob	Completed	6/8/01

State Fiscal Impact

Cost	None
Revenues	None

Local Fiscal Impact

Cost	None
Revenues	None

House Bills 4042, 4154, 4250, and 4631 amend the Home Solicitation Sales Act and House Bill 4632 amends the Consumer Protection Act to add new provisions regulating telemarketing activities.

House Bill 4042 requires the Public Service Commission (PSC) to either establish a state "do-not-call" list or designate an existing national "do-not-call" list as the authorized state "do-not-call" list. Except for certain small businesses exempted from the bill's provisions, telephone solicitors would be prohibited from making telephone solicitations to residential telephone subscribers on the list. The PSC would be required to consider public comments on the matter before deciding whether to establish or designate a list. The bill would increase administrative costs to the PSC by an indeterminate amount. Costs would increase to a greater degree if the PSC decided to establish and administer its own do-not-call list. Since the PSC's operations are funded through assessments on public utilities, the bill would increase revenue from these assessments by an amount equivalent to any cost increase.

House Bill 4154 would require telephone solicitors to provide certain information about themselves and the companies for which they work and would prohibit solicitors from intentionally blocking residential customers' caller ID services. This bill would have no fiscal impact.

House Bill 4250 would prohibit a list of certain acts and omissions by telephone solicitors and provide that these violators would be guilty of a misdemeanor punishable by imprisonment for up to six months or a fine of up to \$500 or both. Prohibited actions would include actions such as misrepresenting or failing to disclose certain terms of a sale, providing false or misleading statements, and offering a prize promotion in which a purchase or payment is necessary to obtain the prize. The bill could increase local fine revenue by a minimal amount to the extent that violations occur.

House Bill 4631 would require publishers of telephone directories that include residential phone numbers to include a notice describing how a residential telephone subscriber could subscribe to be included on the do-not-call list required in HB 4042. The bill also exempts from the package of bills certain organizations subject to the Charitable Organizations and Solicitations Act and the Public Safety Solicitations Act. The bill does not impose new requirements on any public entity and thus would have no fiscal impact.

Finally, House Bill 4632 would amend the Consumer Protection Act by making violations of the Home Solicitation Sales Act in connection with a home solicitation sale or telephone solicitation an unfair practice under the Consumer Protection Act. The bill would then subject these violations to additional penalties which would include civil penalties and actual damages or \$250 per violation, whichever is greater, plus reasonable attorney fees. It could increase local civil fine revenue to the extent that violations occur. The bill also requires the Attorney General to e-mail a list of consumer complaints regarding unfair practices under the bill's provisions to various Better Business Bureaus in the region. This could increase costs to the Attorney General slightly. However, this increase would likely be met out of existing resources.