

BILL ANALYSIS

Senate Research Center
76R6039 CBH-D

S.B. 1020
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Economic Development
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As Filed

DIGEST

Currently, many Texan consumers purchase “prepaid calling cards” which are available from a wide variety of outlets and give the consumer access to telephone services up to the dollar value on the card. However, despite their convenience, there is often no way for the consumer to determine the per-minute rate, minimum rates, or per-call fees associated with the use of the cards. Several states have already enacted laws or adopted regulations requiring disclosure of these important terms and conditions on prepaid calling cards. Such disclosures enable consumers to compare cards when shopping and may provide them with some recourse if a card provider goes out of business. S.B. 1020 would authorize the Public Utility Commission of Texas (commission) to prescribe, by rule, standards regarding the information a prepaid calling card company shall disclose to customers in relation to the rates and terms of service for prepaid calling services offered in this state.

PURPOSE

As proposed, S.B. 1020 sets forth provisions for telephone prepaid calling services.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Public Utility Commission of Texas in SECTION 1 (Sections 55.253(b) and (c), Chapter 55J, Utilities Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 55J, Utilities Code, by adding Section 55.253, as follows:

Sec. 55.253. TELEPHONE PREPAID CALLING SERVICES. Defines “prepaid calling card company,” and “prepaid calling service.” Authorizes the Public Utility Commission of Texas (commission) to prescribe, by rule, standards regarding the information a prepaid calling card company shall disclose to customers in relation to the rates and terms of service for prepaid calling services offered in this state. Provides that the commission is granted all necessary jurisdiction to adopt rules under this section and to enforce those rules and this section. Provides that a violation of a rule adopted under this chapter is subject to enforcement under Chapter 15B.

SECTION 2. Emergency clause.
Effective date: upon passage.