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## REGULATE ALTERNATIVE OPERATOR SERVICES

House Bill 4631

Sponsor: Rep. Dan Gustafson

Committee: Public Utilities

Complete to 8-4-95

### A SUMMARY OF HOUSE BILL 4631 AS INTRODUCED 3-21-95

The bill would amend the Michigan telecommunications act to provide for the regulation of alternative operator services. The bill would define an "alternative operator service" (AOS) as an operator service that is separate from the operator service provided by the regulated local exchange or toll carrier. An "operator service" would be a telecommunications service that includes any automatic or live assistance for a consumer to enable him or her to either arrange for billing or to complete a phone call within this state by a method other than automatic billing to the phone from which the call was made, billing to a credit card account, or directory assistance services.

The bill would require the Michigan Public Service Commission to adopt and enforce operating requirements for the provision of alternative operator services. The bill would require that all orders issued by the commission be nondiscriminatory and be designed to promote competition which would facilitate consumer choice.

Companies offering AOS services would be required to register with the commission. Registration would require payment of a \$100 registration fee, and would be immediately effective upon filing, and would be effective for one year. Registration could be renewed for another year by filing the appropriate renewal registration form and payment of a renewal fee of \$100. The registration would include the name of the AOS provider, the address of its principal office (if the office was located out-of-state, the address of its registered office and the name of its registered agent would be required), as well as any other information the commission might require.

The operating rules set forth by the commission would have to include at least the following:

(1) Alternative operator services would have to provide to entities with whom they had a contract some form of information sticker for each affected public telephone. The information sticker or card would have to include the name of the AOS provider, a toll-free customer service telephone number, and a statement indicating that the charges imposed by the AOS and additional information could be obtained by calling the toll-free number;

(2) Before connecting a call, an AOS provider would be required to identify the service to the caller. The provider would also be required to quote the rate, fees or surcharges applicable to the call, if the caller asked for such information.

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The bill would require that when a customer attempted to make a call, the AOS provider would have to allow the customer to choose the carrier or provider of his or her choice by transferring the caller, with the caller's permission, to that carrier without charge, (before such a transfer, the provider would have to indicate that the rates for the call may not reflect the rates for a call from the location of the caller); or the provider would have to instruct the caller how to reach the carrier of his or her choice by dialing that carrier's 950, 1-800, or 10-XXX access method. Finally, the AOS would have to allow callers to reach emergency services without charging the caller.

An AOS provider would be barred from charging customers rates in excess of two times the state average rate for similar services, unless authorized by the commission. If an AOS provider charged a customer a fee that was in violation of the act or denied a customer access to emergency services, that customer could bring a lawsuit against the provider to recover actual damages or \$250, whichever was greater, along with reasonable attorney fees.

MCL 484.2102 and 484.2317