ASSEMBLY, No. 5055

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED NOVEMBER 19, 2020

Sponsored by:
Assemblyman ERIC HOUGHTALING
District 11 (Monmouth)
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Prohibits imposition of certain charges on voice communications service bill that were not authorized by customer.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 12/10/2020)

AN ACT concerning the imposition of certain charges on voice communications service bills and supplementing Title 48 of the Revised Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. As used in P.L. , c. (C.) (pending before the Legislature as this bill):

"Board" means the Board of Public Utilities or any successor agency.

"Cramming" means the practice of placing charges on a customer's voice communications service bill at the request of a third party or billing aggregator that the customer did not order or authorize or, if authorized by the customer, authorization was obtained through misleading or deceptive means.

"Customer" means a customer with a billing address in this State who subscribes to a voice communications service for a fee.

"Voice communications service" means a service providing voice communications to a customer for profit using any wireline or wireless communications equipment or technology.

2. a. A customer shall not be liable for charges appearing on the customer's voice communications service bill that are the result of cramming. A charge for any product or service, other than those provided by the voice communications service company, its affiliates, a third party video provider with whom a voice communications service company or its affiliate jointly market a service, or otherwise permitted by law, shall not be included on a bill of a customer, unless the third party requesting the payment of the charge retains and provides to the board upon request valid proof that:

(1) the customer was provided with clear and conspicuous disclosure of all material terms and conditions of the product or service being offered including, but not limited to, all initial and recurring charges and the fact that the charges shall appear on the customer's bill;

(2) after receiving clear and conspicuous disclosure, as provided in paragraph (1) of this subsection, the customer explicitly consented to the nature and amount of the charge; and

(3) the third party offering the product or service or an agent of the third party provided the customer with a toll-free telephone number the customer may call and an address to which the customer may write to resolve any billing dispute.

b. Any charge for a third party product or service that is included on a bill by a voice communications service company without the consent of the customer having been obtained, as provided in paragraph (2) of subsection a. of this section, shall be

void and unenforceable, and shall be removed from the bill upon notice from the customer.

c. A voice communications service company shall annually provide notice to its customers in this State of the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) in a form and manner determined by the board.

3. The board shall, consistent with federal law and pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and regulations as may be necessary to effectuate the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).

4. This act shall take effect immediately.

STATEMENT

This bill provides that a customer of a "voice communications service," as that term is defined in the bill, is not to be liable for charges appearing on the customer's voice communications service bill that are the result of a practice known as "cramming." "Cramming" is defined in the bill as the practice of placing charges on a customer's voice communications service bill at the request of a third party or billing aggregator that the customer did not order or authorize or, if authorized by the customer, authorization was obtained through misleading or deceptive means.

The bill prohibits a charge for any product or service, other than those provided by the voice communications service company, its affiliates, a third party video provider with whom a voice communications service company or its affiliate jointly market services, or otherwise permitted by law, from being included on a bill of a customer, unless the third party requesting the payment of the charge retains and provides to the Board of Public Utilities (BPU) upon request valid proof that:

1) the customer was provided with clear and conspicuous disclosure of all material terms and conditions of the product or service being offered including, but not limited to, all initial and recurring charges and the fact that the charges are to appear on the customer's bill;

2) after receiving clear and conspicuous disclosure, the customer explicitly consented to the nature and amount of the charges; and

3) the third party offering the product or service or an agent of the third party provided the customer with a toll-free telephone number the customer may call and an address to which the customer may write to resolve any billing dispute.

The bill provides that any charge for a third party product or service that is included on a bill by a voice communications service company without the consent of the customer having been obtained, as provided in the bill, are to be void and unenforceable, and are to be removed from the bill upon notice from the customer.

The bill provides that a voice communications service company is to annually provide notice to its customers in this State of the provisions of the bill in a form and manner determined by the BPU.