

48:17-23

LEGISLATIVE HISTORY CHECKLIST
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(Alternate
operator phone
service provides--
BPU to establish
standards)

LAWS OF: 1989

CHAPTER: 337

Bill No: A4449

Sponsor(s): Rooney

Date Introduced: April 24, 1989

Committee: Assembly: Transportation & Communication

Senate: Transportation & Communication

Amended during passage: Yes Amendments during passage
denoted by asterisks.

Date of Passage: Assembly: June 29, 1989

Senate: December 11, 1989

Date of Approval: January 12, 1990

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: Yes

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

KBG/SLJ

P.L.1989, CHAPTER 337, *approved January 12, 1990*
1989 Assembly No. 4449 (*Second Reprint*)

1 AN ACT concerning alternate operator service providers, and
2 supplementing chapter 17 of Title 48 of the Revised Statutes.

3

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

6 1. As used in this act:

7 "Aggregator" means a person or entity, which is not a
8 telecommunications carrier, who in the ordinary course of its
9 business makes telephones available to the public or to transient
10 users of its business, including, but not limited to, hotels, motels,
11 hospitals, or universities, and which provides operator-assisted
12 services through an operator service provider.

13 "Alternate operator service provider" means a non-facilities
14 based telecommunications carrier who is a reseller leasing lines
15 from local exchange carriers and interexchange carriers and who,
16 using these leased facilities along with their own operators,
17 provides operator-assisted services.

18 "Operator-assisted services" means services which assist
19 callers in the placement or charging of a telephone call, either
20 through live intervention or automated intervention.

21 "Operator service provider" means every telecommunications
22 carrier which provides operator-assisted services.

23 2. The Board of Public Utilities shall promulgate, in
24 accordance with the "Administrative Procedure Act," P.L. 1968,
25 c. 410 (C. 52:14B-1 et seq.), rules and regulations necessary to
26 effectuate the purposes of this act concerning alternate operator
27 service providers, which shall include ² but not be limited to,²
28 ¹the following⁺ operating requirements for the provision of
29 operator-assisted services ¹[limited to the following]¹:

30 a. An alternate operator service provider shall provide callers
31 with ²[a schedule of its rates] rate quotes², including any
32 surcharges, upon request and without charge.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ATC committee amendments adopted June 15, 1989.

² Senate STC committee amendments adopted November 30, 1989.

1 b. An alternate operator service provider shall notify a caller,
2 before inception of billing, that the alternate operator service
3 provider is handling the operator-assisted call, ¹[either]¹ by
4 verbal identification by the alternate operator service provider
5 ¹[,] and¹ by a form of signage on the telephone equipment owned
6 or controlled by the aggregator or by the alternate operator
7 service provider if the alternate operator service provider owns
8 or provides the telephones ¹[, or by some other form of
9 communication]¹.

10 c. Every contract between an alternate operator service
11 provider and an aggregator shall include a provision which
12 provides a caller using a telephone owned or controlled by the
13 aggregator or alternate operator service provider with the means
14 to access, where technically possible, any other operator service
15 provider operating in the relevant geographic area, through the
16 ¹[board-authorized]¹ access method chosen by the other operator
17 service provider, or to access a local exchange operator or to
18 access the emergency telephone number that serves the
19 jurisdiction where the telephone is located. ²However, in order
20 to prevent the fraudulent use of its service, an alternate operator
21 service provider or an aggregator may block access to other
22 operator service providers if either obtains a waiver for this
23 purpose from the board or the Federal Communications
24 Commission. Such waivers granted by the board may be for a
25 limited period of time on a specific piece of equipment or
26 location upon application to the board.²

27 d. ¹[If an alternate operator service provider is unable to
28 complete a call as requested, the alternate operator service
29 provider shall not transfer the call to another alternate operator
30 service provider, but shall inform the caller that the alternate
31 operator service provider is unable or unwilling to process the
32 requested call and that the caller may hang up and attempt to
33 reach another operator service provider through the means
34 provided by that other operator service provider.] No alternate
35 operator service provider shall transfer a call to another operator
36 service provider unless that transfer is accomplished at, and
37 billed from, the point or origination of the call. If such a transfer
38 is not technically possible, the alternate operator service
39 provider shall inform the caller that the call cannot be

1 transferred as requested and that the caller should hang up and
2 attempt to reach another operator service provider through the
3 means provided by that other operator service provider.¹

4 ²In addition, the board shall adopt a schedule of fines for
5 violation of these rules and regulations by an alternate operator
6 service provider. The board shall not impose a fine exceeding
7 \$5,000 for each infraction.²

8 ²[3. Any alternate operator service provider which fails to
9 meet the requirements of section 2 of this act within ¹[18] four¹
10 months of the effective date of this act is subject to a fine by the
11 board of not more than \$5,000.]²

12 ²[4.] 3.² This act shall take effect immediately.

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PUBLIC UTILITIES

16

Communications and Broadcasting

17

18 Directs Board of Public Utilities to establish regulatory standards
19 for alternate operator telephone service providers.

1 provider is handling the operator-assisted call, either by verbal
2 identification by the alternate operator service provider, by a
3 form of signage on the telephone equipment owned or controlled
4 by the aggregator or by the alternate operator service provider if
5 the alternate operator service provider owns or provides the
6 telephones, or by some other form of communication.

7 c. Every contract between an alternate operator service
8 provider and an aggregator shall include a provision which
9 provides a caller using a telephone owned or controlled by the
10 aggregator or alternate operator service provider with the means
11 to access, where technically possible, any other operator service
12 provider operating in the relevant geographic area, through the
13 board-authorized access method chosen by the other operator
14 service provider, or to access a local exchange operator or to
15 access the emergency telephone number that serves the
16 jurisdiction where the telephone is located.

17 d. If an alternate operator service provider is unable to
18 complete a call as requested, the alternate operator service
19 provider shall not transfer the call to another alternate operator
20 service provider, but shall inform the caller that the alternate
21 operator service provider is unable or unwilling to process the
22 requested call and that the caller may hang up and attempt to
23 reach another operator service provider through the means
24 provided by that other operator service provider.

25 3. Any alternate operator service provider which fails to meet
26 the requirements of section 2 of this act within 18 months of the
27 effective date of this act is subject to a fine by the board of not
28 more than \$5,000.

29 4. This act shall take effect immediately.

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STATEMENT

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34 This bill deals with Alternate Operator Service (AOS)
35 providers, who comprise a relatively new segment of the
36 telecommunications marketplace. AOS providers contract with
37 entities such as hotels, motels, hospitals, and universities and
38 other so-called "aggregators" to sell standard long distance
39 telephone services, as well as other services including

1 multilingual operators, voice messaging, voice mail, and billing to
bank credit cards.

3 This legislation directs the Board of Public Utilities to adopt
rules or regulations establishing operating requirements for the
5 provision of operator-assisted services provided by alternate
operator service providers. These AOS providers shall be
7 required to: offer consumers rate information, upon request and
without charge; inform consumers, before inception of billing, of
9 the AOS provider handling the operator-assisted call; allow
callers access to other long distance or local exchange carriers,
11 where technically possible. Furthermore, in accordance with
board regulation, an AOS provider shall not be permitted to
13 transfer calls to another operator service provider.

The bill also provides that an alternate service provider shall
15 be subject to a fine of not more than \$5,000 if it fails to comply
with the requirements of the bill within 18 months of the
17 effective date of this act.

19 PUBLIC UTILITIES

21 Communications and Broadcasting

23 Directs Board of Public Utilities to establish regulatory standards
for alternate operator telephone service providers.

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ASSEMBLY TRANSPORTATION AND
COMMUNICATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4449

STATE OF NEW JERSEY

DATED: JUNE 15, 1989

The Assembly Transportation and Communications Committee favorably reports Assembly Bill No. 4449 with committee amendments.

As amended, this bill directs the Board of Public Utilities to adopt rules or regulations establishing operating requirements for the provision of operator-assisted services provided by alternate operator service providers. Alternate operator service providers contract with entities such as hotels, motels, hospitals, universities and other so-called "aggregators" to sell long distance telephone services, as well as other services, including multilingual operators, voice messaging, voice mail and billing to bank credit cards.

As amended by the Committee, this bill would direct the Board of Public Utilities to require alternate operator service providers to: offer consumers rate information, upon request and without charge, inform consumers, before inception of billing of the alternate operator service provider handling the call; and allow callers access to other long distance or local exchange carriers, where technically possible. The bill provides that an alternate operator service provider would be subject to a fine of not more than \$5,000 if it fails to comply with the requirements of the bill within four months of the effective date of this act.

The Committee amended the bill to ensure uniformity between its provisions and rules proposed by the Board of Public Utilities. The amendments remove the prohibition against an alternative operator service provider transferring calls to another alternate operator service provider and allow such a transfer if the transfer can be accomplished at, and billed from, the point of origination of the call. The Committee also adopted amendments to require alternate operator service providers to comply with the bill's provision within four months, rather than 18, of the effective date of the act.

SENATE TRANSPORTATION AND COMMUNICATIONS
COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 4449

with Senate committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 30, 1989

The Senate Transportation and Communications Committee favorably reports Assembly Bill No. 4449 [1R] with committee amendments.

This amended bill directs the Board of Public Utilities to adopt rules or regulations establishing operating requirements for the provision of operator-assisted services provided by alternate operator service providers. Alternate operator service providers contract with entities such as hotels, motels, hospitals, universities and other so-called "aggregators" to sell long distance telephone services, as well as other services, including multilingual operators, voice messaging, voice mail and billing to bank credit cards.

The amended bill would direct the Board of Public Utilities at a minimum to require alternate operator service providers to: offer consumers rate quotes, upon request and without charge; inform consumers, before inception of billing of the alternate operator service provider handling the call; and allow callers access to other long distance or local exchange carriers, where technically possible. However, in order to prevent the fraudulent use of its services, an alternate operator service provider or an aggregator may block access to other operator service providers if either obtains a waiver for this purpose from the board or the FCC. Such waivers granted by the board may be for a limited period of time on a specific piece of equipment or location upon application to the board. The amended bill provides that the board is to adopt a schedule of fines for violation of these rules and regulations by alternate operator service providers. The board shall not impose a fine exceeding \$5,000 for each infraction.

The committee adopted amendments dealing with preventing fraudulent use by blocking access to operator service providers upon granting of FCC or board waiver. The committee also adopted amendments providing that the board is to adopt a schedule of fines for violation of the rules and regulations, no individual fine to exceed

\$5,000. The provision providing for a fine of no more than \$5,000 within three months of the effective date of the act is deleted. Inasmuch as the board has already adopted the regulations required in substance by section 2 of the original bill, this latter amendment would require the board to additionally adopt a schedule of fines by regulation, which would result in a comprehensive regulatory scheme in this area.

This amended bill is identical to S-3906, as amended and released by the committee on this date.