

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32399-0850

M E M O R A N D U M

January 24, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF APPEALS (BELLAK) *RCB DES*
DIVISION OF COMMUNICATIONS (SHELFER, RUSSO) *ASH*
DIVISION OF RESEARCH (HOPPE) *NAB* *FA*

RE : DOCKET NO.: 910060-TP - PETITION OF THE ATTORNEY GENERAL
AND THE PUBLIC COUNSEL TO INITIATE RULEMAKING PROCEEDINGS
GOVERNING 900 SERVICE

AGENDA: 2/5/91 - CONTROVERSIAL AGENDA - PARTIES MAY PARTICIPATE

CRITICAL DATES: ORDER DUE THIRTY DAYS FROM DATE PETITION WAS FILED
(2-14-91)

BACKGROUND

By Petition filed January 15, 1991, the Attorney General and Public Counsel have asked that the Commission "adopt rules governing consumer protection necessitated by the provision of 900 (and 976) services in Florida." Petition, p. 1.

The petitioners additionally ask that the Commission adopt the specific rules proposed by petitioners as attached to the petition.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission initiate proceedings to adopt rules for the protection of consumers utilizing 900 services in Florida?

RECOMMENDATION: Yes. Pursuant to subsection 120.54(5), Florida Statutes, and Rule 25-22.012, the Commission should initiate such proceedings, including both 900 and 976 services.

STAFF ANALYSIS: On January 15, 1991, the Attorney General and the Public Counsel filed a joint petition to initiate rulemaking proceedings governing 900 service. The petition contends that

DOCUMENT NUMBER DATE

00767 JAN 24 1991

REC-RECORDS/REPORTING

DOCKET NO. 910060-TP
January 24, 1991

consumers in Florida have been victimized by some providers of 900 service through unfair and deceptive sales, misrepresented services and unclear cost of the call. They also allege that phone bills do not inform the consumer of rights or the mechanism to dispute a 900 call. In addition, the petition stresses the need for blocking of 900 calls from the consumer's telephone without incurring a charge.

The problems cited in the petition regarding 900 service are well-founded and need to be addressed. We have received numerous complaints in our Division of Consumer Affairs regarding 900 service (36 complaints-1990, 7 complaints-1991). While we have some regulation regarding 900/976 service, staff believes much more may be appropriate.

While we do not agree with all of the proposed rules, staff agrees with the Attorney General and the Public Counsel that rules need to be adopted to protect the consumer from being victimized by 900 providers. We also agree that rulemaking is an excellent forum for interested parties to intervene. Therefore, staff recommends that the petition to initiate rulemaking proceedings governing 900 and 976 services be granted.

ISSUE 2: Should the Commission adopt the specific rules proposed in the petition?

RECOMMENDATION: No.

STAFF ANALYSIS: To the extent the petition proposes specific rules for adoption, the Commission should deny that request as premature pending the initiation of rulemaking procedures in which all interested parties may participate as described in the above analysis by staff.

RCB:prl
Attachment
0068

DATE: 1-28-91
TO: Legal

The attached is sent to you for:

- Your Information
- Further Handling
- Necessary action
- Advice on Handling
- Response

Remarks: 869-91

Division of Records & Reporting
PSC/R&R 9 (3/87)

TB