

Committee Name:

**Senate Committee – Privacy, Electronic Commerce and Financial Institutions
(SC-PECFI)**

Appointments

01hr_SC-PECFI_Appoint_pt00

Clearinghouse Rules

01hr_SC-PECFI_CRule_01-

Committee Hearings

01hr_SC-PECFI_CH_pt00

Committee Reports

01hr_SC-PECFI_CR_pt00

Executive Sessions

01hr_SC-PECFI_ES_pt00

Hearing Records

01hr_ab0000

01hr_sb0191

Misc.

01hr_SC-PECFI_Misc_pt01

Record of Committee Proceedings

01hr_SC-PECFI_RCP_pt00

SENATE HEARING SLIP

(Please Print Plainly)

DATE: 7-21-02

BILL NO. SB 191
OR
SUBJECT SB 191

Senator J. Erpenbach
(NAME)

(Street Address or Route Number)

(City and Zip Code)

(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:
but not speaking:

Registering Against:
but not speaking:

Speaking for information
only; Neither for nor against:

Please return this slip to a messenger PROMPTLY.

Senate Sergeant-At-Arms
State Capitol - B35 South
P.O. Box 7882
Madison, WI 53707-7882

SENATE HEARING SLIP

(Please Print Plainly)

DATE: 2/21/02

BILL NO. SB 191
OR
SUBJECT SB 191

Steve Fineker
(NAME)

#300 16 N. Carroll

(Street Address or Route Number)

Madison WI 53703
(City and Zip Code)

Citizen's Utility Board
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:
but not speaking:

Registering Against:
but not speaking:

Speaking for information
only; Neither for nor against:

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SENATE HEARING SLIP

(Please Print Plainly)

DATE: 2/21/02

BILL NO. SB 191
OR
SUBJECT SB 191

Rep. Mike Powers
(NAME)

Po Box 8953

(Street Address or Route Number)

Madison 53708
(City and Zip Code)

80th Assembly Dist.
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:
but not speaking:

Registering Against:
but not speaking:

Speaking for information
only; Neither for nor against:

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Madison, WI 53707-7882

SENATE HEARING SLIP

(Please Print Plainly)

DATE: 2/21/02

BILL NO. SB 191
OF

SUBJECT Joanna Richard

(NAME) _____
(Street Address or Route Number)

Madison WI 53702
(City and Zip Code)

Attorney Gen. Doyle
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:
but not speaking:

Registering Against:
but not speaking:

Speaking for information only; Neither for nor against:

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SENATE HEARING SLIP

(Please Print Plainly)

DATE: 2/21/02

BILL NO. SB 191
OF

SUBJECT _____

Buddy Sulsus
(NAME)

316 W. WASH.
(Street Address or Route Number)

MADISON, WI
(City and Zip Code)

AMERICAN / SBC
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:
but not speaking:

Registering Against:
but not speaking:

Speaking for information only; Neither for nor against:

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SENATE HEARING SLIP

(Please Print Plainly)

DATE: 2/21/02

BILL NO. SB 191

OR
SUBJECT _____

RAY CLONAN

(NAME)

6602 NORMANDY LAKE

(Street Address or Route Number)

MADISON, WI 53719

(City and Zip Code)

WIS STATE TELECOM ASSN

(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:

but not speaking:

Registering Against:

but not speaking:

Speaking for information only; Neither for nor against:

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State Capitol - B35 South
P.O.Box 7882
Madison, WI 53707-7882

SENATE HEARING SLIP

(Please Print Plainly)

DATE: 2/21/02

BILL NO. 191

OR
SUBJECT _____

telecommunications

DAVID GILLES

(NAME) WIS. DEPT. OF JUSTICE

17 W. MAIN

(Street Address or Route Number)

(City and Zip Code)

(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:

but not speaking:

Registering Against:

but not speaking:

Speaking for information only; Neither for nor against:

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Madison, WI 53707-7882

Senate Bill 191
Statement in Opposition
By
Wisconsin State Telecommunications Association
before the
Senate Committee on Privacy, Electronic Commerce
and Financial Institutions
February 21, 2002

Good, reliable utility service to customers at reasonable rates is the objective of chapter 196 of the statutes. The proposed legislation does not further that objective and may do just the opposite.

Presently the Public Service Commission investigates alleged violations of Chapter 196 and refers them to the Attorney General for prosecution. SB 191 gives authority to the Attorney General to directly prosecute telecommunications providers without PSC investigation or referral. Since either the PSC or the Attorney General may initiate investigation and prosecution, it will delay resolution of the problem and may deny compensation to the customers harmed by the utility's failure.

A utility will be unwilling to resolve a complaint with the Public Service Commission knowing the Attorney General may prosecute. Such delays may cause delays in correcting the problem. It will surly delay and possibly deny compensation to the customers.

Provision of telecommunications services is very complex. It often involves a number of different providers of services, facilities and equipment. Which telecommunications provider is responsible for the failure may not be easily determined. The rules, tariffs, services and practices under which telecommunications providers operate are technical, rapidly changing and complicated. The PSC is the only state agency with expertise in this area. Further, the PSC develops the rules under which utilities operate. For these reasons, the PSC should remain the factual investigator of violations and, when necessary, refer it to the Attorney General for prosecution.

Under the proposed legislation, there may be simultaneous prosecutions over the same alleged violation. One agency may be politically motivated to initial its own prosecution. It's important we do not allow politics to undermine the excellent telecommunications service we have in Wisconsin.

The PSC can negotiate credits or other payments to the customers. If the Attorney General prosecutes, any penalties will go to the state, not the customers.

Further, the Attorney General does not have the investigative powers or the knowledge of the industry and the utilities that the PSC has. So it is unlikely he'll be able to investigate as well as the PSC.

The proposed legislation adds significant costs. Since the Attorney General does not have the expertise of the PSC, he'll need to spend substantial amounts of money to acquire that expertise. This duplication of responsibilities will add unnecessary costs. It wastes taxpayer dollars and siphons telecommunications revenues away from hiring employees to resolve the problem and investing in advanced infrastructure.

Legal prosecution by the Attorney General should be the last step, not the first. Let's concentrate on correcting problems.

Renewing the Attorney General's ability to intervene in all matters before the PSC is an unnecessary use of taxpayers' money. It was initially permitted for about five years. The Attorney General's office did not enhance the proceedings. The PSC has far more expertise in the technical and legal aspects of telecommunications than the Attorney General's office. Wisconsin citizens are paying for the PSC to protect them. Those citizens also pay for consumer groups, such as the Citizens Utility Board, through intervenor funding to protect them. There is no reason for our citizens to also fund the Attorney General's office for the same purpose. If the Attorney General believes an issue before the PSC is significant and wants to be involved, he can request to be a party.

The Wisconsin State Telecommunications Association opposes SB 191 and requests the committee not approve it.

JON

TESTIMONY FOR SENATE BILL 191

Senate Bill 191 is a very simple bill. The short description of the bill is that it will allow the Attorney General to bring action against a telecommunications utility independently of PSC referral. I have introduced this measure to strengthen consumer protection in our state by allowing our elected top law enforcement agent, the Attorney General, the latitude to take on enforcement of telecommunication laws independently of the appointed Public Service Commission. Let us be clear, this action does not supercede PSC authority, but allows the Attorney General to augment their actions.

For the particulars - It is far easier to describe the actions of the bill in the context of current statutory language.

Currently, ~~only~~ upon the request of the Public Service Commission (PSC) can the Attorney General of our state bring an action to enforce laws relating to public utilities or telecommunications providers. That same PSC request is required to allow the Attorney General to bring an action to require a telecommunications utility or provider to compensate a person for pecuniary losses caused by the failure of the utility or provider to comply with certain consumer protection requirements.

This bill changes the statute to allow the Attorney General to bring an action or requirement for pecuniary losses for violations of law for telecommunication providers without referral from the Public Service Commission. (It does NOT include violations of law by public utilities.)

The bill also provides that any prior action by the PSC shall not limit any relief sought by the Attorney General in an action for a violation by a telecommunications provider.

In addition to violations of law by public utilities that the PSC is required to report to the Attorney General, they also have to report violations of law by telecommunications providers as well.

Finally, this bill will rescind the June 30, 2001 sunset date of the provision that allows the Attorney General, on his or her own initiative, to appear before the PSC as a party on any telecommunications matter relating to consumer protection and anti-trust. The Attorney General may not appeal a decision of the PSC to the circuit court.

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