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BILL ANALYSIS

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Senate Bill 127 (as reported without amendment)  
Sponsor: Senator Bill Hardiman  
Committee: Technology and Energy

Date Completed: 1-31-06

### **RATIONALE**

Recently, there has been significant discussion in the telecommunications industry regarding the creation of a 411 directory of cell phone numbers. (By dialing 411, a customer may request that an operator retrieve, or connect the customer with, a listed residential or business telephone number.) While such a directory reportedly would be used only for directory assistance purposes, and not made available to telemarketers, some people are concerned about customer privacy. It has been suggested that a wireless provider be required to obtain a customer's consent before including his or her number in a cell phone number directory assistance.

### **CONTENT**

The bill would amend the Michigan Telecommunications Act to prohibit a provider of cellular or mobile telecommunication service from providing, selling, or including a customer's dialing number for inclusion with any directory assistance without first obtaining the customer's written consent.

Proposed MCL 484.2360a

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

Although the directory the wireless industry proposes would be only for 411 assistance, and Federal regulations prohibit mass marketers from placing calls to cell phones, some people are concerned that the creation of a directory could lead to the use of their

numbers by telemarketers. As technology advances and more people abandon traditional land lines in favor of cell phones, it is critical that sufficient protections for consumers' privacy are put in place. Indeed, many people choose to use cell phones because of the privacy safeguards that have accompanied them to date.

Although a cell phone 411 directory assistance service could be useful, it should be up to the customer to decide whether he or she wishes to include his or her number in the directory. Cell phone users generally must pay for the minutes they use on incoming calls, wanted or not, and should be able to restrict access to their phone numbers to certain people. Furthermore, the fine print of some cell phone contracts sometimes contains a directory listing clause to which the unknowing customer consents by signing the contract. For this reason, it is important to enact an unambiguous requirement for express consent. By requiring written consent to include a cell phone number in a directory, the bill would help cell phone customers avoid nuisance calls and invasions of privacy without placing an undue burden on the telecommunications industry.

Legislative Analyst: Julie Koval

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Maria Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.