

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7082**

**BILL NUMBER:** HB 1294

**NOTE PREPARED:** Dec 23, 2002

**BILL AMENDED:**

**SUBJECT:** Do Not Call List.

**FIRST AUTHOR:** Rep. Kruse

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill provides that for purposes of the state do not call listing, the term "consumer" is not restricted to a residential telephone subscriber. The bill repeals a definition that restricts the term "telephone number" to residential telephone numbers in the do not call statute.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** Removing the restriction that only residential telephone numbers are eligible for subscription to the state's Telephone Privacy List will likely increase the number of list subscribers. While additional subscribers will increase the cost of administering the list, rulemaking provisions in current law allow the Attorney General to set the annual fee telemarketers are charged for the list to an amount sufficient to meet the cost of providing the list to telemarketers. Program costs associated with the program are paid from the dedicated Consumer Protection Division Telephone Solicitation Fund. (See *Explanation of State Revenues*, below.)

*Background Information:* P.L. 189-2001 established the Telephone Privacy List maintained by the Attorney General's Office. As of June 30, 2002, the Attorney General reported that 1,115,362 residential phones are registered for the list, an amount equivalent to 44% of the state's total number of residential lines. The Indiana Utility Regulatory Commission (IURC) reports that there are 1,639,041 nonresidential phone lines in the state. Under this bill, these phone lines could become eligible for the Telephone Privacy List. Based on the program's projected FY 2003 budget of \$759,000, it is estimated that the average annual cost for maintaining a number on the list is \$0.68.

Based on this average cost per listing, it is estimated that if users of half of the state's 1.6 M nonresidential

phone lines register for the Telephone Privacy List, the program's costs could increase by as much as \$558,000.

**Explanation of State Revenues:** Funding for the Telephone Privacy List program comes solely from a \$750 annual subscription fee that telemarketers who are requesting the list are charged and from fines assessed against persons that violate the state's telephone solicitation laws. Under current law, the Attorney General has rulemaking authority to set the annual fee charged telemarketers for the Telephone Privacy List at a level equal to the cost of maintaining the list. Expanding the list to include nonresidential lines is likely to increase Attorney General's costs, thereby requiring an increase in the telemarketer's annual subscription fee. Revenue from the fee is deposited in the dedicated Consumer Protection Division Telephone Solicitation Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Attorney General's Office.

**Local Agencies Affected:**

**Information Sources:** *2002 Telephone Report to the Regulatory Flexibility Committee, IURC*; Attorney General's FY 2002 Report on the Telephone Privacy List to the Regulatory Flexibility Committee.

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