
MASSACHUSETTS ENACTS A NEW LAW PROHIBITING TELEPHONE SLAMMING

Governor Cellucci signed into law a new statute that prohibits the practice of telephone slamming. With intense competition in the long distance telephone market, some telephone companies have resorted to taking over ("slamming") customer telephone accounts without the customer's authorization. Through the Department of Telecommunications and Energy (DTE), Massachusetts now has the authority to impose a penalty on companies that slam consumers, as well as to prohibit those companies from operating within the Commonwealth for up to one year.

PROVISIONS OF THE NEW SLAMMING LAW

Authorization Requirements:

Before a telephone company can change your service- long distance, regional, or local - it must obtain proof of your authorization for each type of service that you request. Massachusetts allows two methods of authorization: a letter of agency (LOA) signed by the customer, or an authorization verified by an independent third party over the telephone (third party verification, or TPV). If a company changes your telephone carrier and cannot prove you agreed to it by showing a valid LOA or TPV, they have committed a slam.

For example, if XYZ company calls you and offers a particular type of service that interests you, XYZ may send you an LOA authorization for you to sign and return. In the alternative, XYZ may forward your telephone call to an independent TPV company that will confirm your authorization to change your service. Every company providing TPV services for Massachusetts consumers must register with the DTE to ensure that they are an independent organization.

Rules Governing LOA's and TPV's:

A LOA has the sole purpose of authorizing a telephone carrier and must contain the customer's name, address, each telephone number being changed, what kind of service is being offered, an indication that the customer is requesting a carrier change, and information about any charges that may apply for making the change. LOA's may not suggest that a customer must take any action to maintain his or her current carrier choice.

The sole purpose of TPV is to verify that a customer desires to change carriers. The TPV company must talk directly to the customer and the call must be recorded after the TPV agent explains the purpose of TPV. The following information must be obtained: the identity and the authority of the person providing authorization, that authorization is being given for a change to a named company, and the type of service being authorized. Companies may be granted a waiver for the recording requirement if they can prove to the DTE that their system of verification offers as much protection as recording.

How to Prevent Slamming:

- Make sure you check your monthly telephone bill to ensure you aren't being charged for services by a company that you did not choose.
- Don't agree to services offered to you over the telephone without fully understanding what it is you are agreeing to; don't be afraid to ask questions. If you are dealing with a legitimate company, they will not be afraid to disclose any information you request.
- If you have never heard of a company marketing its services, do your homework and find out if they have had any complaints filed against them.
- Ask your local carrier about getting a "PIC freeze" - this will prevent other telephone companies from changing your service unless you speak to your local carrier.
- If you have any questions regarding the slamming rules, call the DTE at the numbers listed below.

If You've Been Slammed:

If you think you may have been slammed, you should call the DTE's Consumer Division at **(617) 727-3531 or (800) 392-6066** and report your complaint. You must file your complaint within 90 days after you receive a bill that indicates your telephone company was changed without your permission. After taking your information, the Consumer Division will then conduct an investigation. As a consumer, you have the option of requesting an alternative investigation which may resolve your complaint more quickly. You may also file a complaint at our Web site www.magnet.state.ma.us/dpu/, or write us at:

**Consumer Division
Department of Telecommunications and Energy
100 Cambridge Street
Boston, MA 02202**

Department Complaint Procedure:

After reviewing a slamming complaint, if the DTE finds that a slam has occurred, a customer will be refunded the difference, if any, between what he or she was billed by the slammer and what he or she would have been billed by their chosen telephone company. Consumers may be able to recover other losses, such as the accumulation of frequent flyer miles and charges for changing companies.

Enforcement:

Any company found to have slammed a consumer more than once in a 12 month period may be subject to a fine of between \$1,000 and \$3,000 per slam. In addition, any company found to have committed 20 slams in a 12 month period may be barred from operating in the Commonwealth for up to a year.