

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB 2600

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|------------------------|--|-------------------------------------|------------------------------------|
| House of Origin | <input checked="" type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| Second House | <input type="checkbox"/> In Committee | <input type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled |

2. Patron: Bell

3. Committee: Commerce and Labor

4. Title: Virginia Telephone Privacy Protection Act

5. Summary: Prohibits telephone solicitation calls from being made on a Sunday or national holiday, or on other days from hours other than between 9 a.m. and 8 p.m. Currently, such calls are prohibited before 8 a.m. and after 9 p.m. The measure requires a telephone solicitor to immediately disclose who is calling and what property, good, or service is being offered. The measure also prohibits caller ID spoofing, which is defined in the bill as causing any caller identification service to transmit caller identification information that represents or states that the call originates from a telephone with an area code assigned to an area in the Commonwealth or from a location in the Commonwealth if the person on whose behalf the telephone solicitation call is being made does not conduct business from a location in the Commonwealth.

6. Budget Amendment Necessary: Indeterminate. See item 8.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: This bill directs the Virginia Department of Agriculture and Consumer Services (VDACS) to conduct investigations into alleged violations of performing caller ID spoofing, telephone soliciting outside of the restricted times, and failing to disclose required information to a caller upon receipt of a written complaint. The bill provides that violations of the law can be referred to the Federal Trade Commission or the appropriate legal official, including the Office of the Attorney General or local Commonwealth's Attorney. The bill also states that an individual is not precluded from pursuing other actions in seeking a remedy, including an individual action for damages.

The number of written complaints VDACS may receive and investigations VDACS may be required to conduct is unknown. However, according to the Federal Trade Commission's (FTC) National Do Not Call Registry Data Book for 2018, Virginia ranks seventh in the nation for the number of complaints submitted to FTC. According to the report, approximately 65 percent of the complaints are related to ID spoofing, or robo-calling.

VDACS does not currently dedicate resources to administer the Virginia Telephone Privacy Protection Act, the provisions of which this bill expands. Should the agency receive a

significant number of complaints, VDACS may require resources to support administration of this bill. VDACS estimates that a minimum of two FTEs may be necessary to implement this bill at an annual cost of \$150,000 per year. In addition, it is anticipated that IT resources may be necessary to implement software for tracking complaints, as well as software to confirm when ID spoofing occurs by a telephone solicitor. VDACS estimates that a minimum one-time cost of \$100,000 to cover these costs.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services; Office of the Attorney General.

10. Technical Amendment Necessary: No.

11. Other Comments: HB2564 also addresses the Virginia Telephone Privacy Protection Act.