

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EVALUATION & COMPLIANCE DIVISION
Telecommunications Branch

RESOLUTION NO. T-12035
July 29, 1987

R E S O L U T I O N

RESOLUTION DIRECTING THE EXECUTIVE DIRECTOR TO ORDER
DISCONNECTION OF TELEPHONE NUMBERS LISTED IN ALPHABETICAL
AND CLASSIFIED DIRECTORIES BY UNLICENSED CONTRACTORS IN
COMPLIANCE WITH BUSINESS AND PROFESSIONAL CODE 7099.10

SUMMARY

Business and Professions Code 7099.10, enacted as part of State Senate Bill (SB) No. 1650 of the 1986 session, requires the Public Utilities Commission, upon proper notification from the Contractors' State License Board (CSLB), to order the disconnection of telephone numbers used in unlawful advertising by unlicensed contractors in alphabetical and classified directories. Upon written notification by the Registrar of the CSLB, the Public Utilities Commission must notify the telephone company furnishing telephone service to the offending contractor to disconnect the telephone number(s) used in the unlawful advertisement. SB No. 1650 became effective January 1, 1987.

This resolution directs the Executive Director of the Public Utilities Commission to order telephone companies to disconnect from service any telephone number listed in classified telephone directories by an unlicensed contractor, upon receiving proper written notification from the Registrar of the Contractors' State License Board. The notice from CSLB will indicate: that it completed an investigation; that proper legal notice was provided; that its citation informed the respondent that telephone service to numbers listed in the citation would be disconnected unless the respondent voluntarily disconnects the service or successfully appeals the citation; that the citation has become final either after a hearing or because it was not appealed; and that the telephone service has not been voluntarily disconnected.

BACKGROUND

SB 1650, approved by the Governor July 1, 1986 and effective January 1, 1987, concerns persons who advertise unlawfully for construction or work of improvement covered by the Contractors' State License Law without holding a valid contractor's license. Section 1 of the bill spells out new monetary criminal penalties for unlawful advertising which includes advertising via newspapers, radio, signs, cards, directories, etc. These are in addition to fines and penalties already covered under current law regarding contracting without a license. Section 2 of the bill, which effects the CPUC, limits itself to directories. It requires the CPUC, upon receiving notification from the Registrar of the CSLB, (or his designates, the Regional Deputies in charge of enforcement) to order telephone utilities to disconnect service to any telephone number listed in an unlawful advertisement in an alphabetical or classified directory.

The CSLB representatives normally issue 1,500 to 2,000 citations (cease and desist orders) a year for non-licensed activity. The citations are issued only after an investigation which is usually initiated by a complaint. Almost 90% of the persons given citations were advertising unlawfully; approximately 400 to 500 in directories. The new law should reduce the number of violations which is important because of the deaths and severe injuries that can result from work done by unlicensed persons.

Section 2 of the new law requires that anyone receiving a citation for unlawful advertising in a directory must cease the unlawful advertising and notify the telephone company furnishing service to disconnect the telephone service of all telephone numbers contained in the unlawful directory advertisement. The CSLB must provide a hearing within 90 days of receiving notification from a person wanting to contest the citation. The E & C and Legal Divisions have reviewed the draft procedures received from the CSLB on May 15, 1987. Attached is a form letter that the CPUC will use to notify the local exchange company of the order to disconnect.

CSLB estimates that approximately 50 cases will be submitted to the CPUC for action each year. These will be those cases where a person did not contest the citation and failed to voluntarily have the telephone service disconnected or those that contested the citations and received adverse decisions after hearings. The notice to the CPUC to order disconnection will only be sent as a last recourse.

The new bill eliminates an enormous amount of administrative work and time for CSLB. Prior to the new law, the CSLB had to go through a criminal proceeding and have the district attorney get the authorization to disconnect the phone.

Although the bill specifies alphabetical and classified directories, the CSLB representatives stated it was clearly the legislative intent at hearings to only disconnect numbers listed in the yellow pages. In this way, it would avoid disconnecting residential phones.

The law states that good faith compliance by a telephone corporation with an order of the Public Utilities Commission to terminate service shall constitute a complete defense to any action brought against the telephone company arising from the disconnection of service. Representatives of the telephone industry have been apprised of the effects of SB 1650 in meetings with the Contractors State License Board staff and E and C Division Staff.

FINDINGS

We find that the conditions of service authorized in this Resolution are just and reasonable; therefore,

IT IS ORDERED that:

1. The Executive Director is directed to order any telephone company providing telephone service to unlicensed contractors found to be advertising unlawfully by the CSLB in telephone classified directories, to disconnect telephone service to those numbers listed in the unlawful advertisements after receipt of proper notice from CSLB. The notice shall state: that the CSLB completed an investigation; that proper legal notice was provided; that the citation informs the respondent that telephone service to the numbers listed in the citation would be ordered to be disconnected unless the respondent voluntarily disconnects the service or successfully appeals the citation; that the citation has become final either after a hearing or because it was not appealed; and that the telephone service has not been voluntarily disconnected.

2. Each such order issued by the Executive Director shall recite that it was issued pursuant to this resolution. Each such order to disconnect when signed by the Executive Director shall be deemed to be the order of the Commission.

3. The effective date of this resolution is July 29, 1987.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on July 29, 1987. The following Commissioners approved it:

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



Victor Weissel
Executive Director

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102

Date

Inside Address

Subject: ORDER TO DISCONNECT

Dear Sir:

In accordance with the attached letter from the California Contractor's State License Board (CSLB), you are hereby ordered to disconnect the service to the following telephone number(s) () _____ () _____, after verifying they belong to:

If the above number(s) do not belong to _____, do not disconnect them, but instead inform _____ of the fact.

The above listed number(s) were used in an unlawful advertisement in the _____ telephone directory by _____ who is not duly licensed in the State of California to advertise for construction or work of improvement covered by the Contractor's State License Law. This is in violation of Section 7026.7 of the Business and Professions Code.

Section 7099.10 of the Business and Professions Code states that good faith compliance by a telephone corporation with an order of the Public Utilities Commission to terminate service shall constitute a complete defense to any action brought against the telephone company arising from the termination of service.

California Commission Resolution T _____ dated _____ directs the Executive Director to issue this order which is deemed to be the order of the Commission.

Please confirm by letter to me the date of disconnection, with a copy to the CSLB Regional Deputy named in the attached CSLB letter.

Sincerely,

Victor R. Weisser
Executive Director