



January 25, 2019

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## HOUSE BILL No. 1123

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DIGEST OF HB 1123 (Updated January 23, 2019 4:36 pm - DI 101)

**Citations Affected:** IC 24-4.7; IC 24-5; noncode.

**Synopsis:** Telephone solicitation. Adds the following to the list of telephone calls that are exempt from the state's "do not call" statute (statute): (1) Any telephone call made to a consumer by a communications service provider that has an established business relationship with the consumer. (2) Any telephone call made to a consumer by: (A) a financial institution; or (B) a person licensed by the department of financial institutions to engage in first lien mortgage transactions or consumer credit transactions; that has an established business relationship with the consumer. Specifies that the following persons are "consumers" of telephone service for purposes of the statute and are eligible to be included on the "do not call" listing (listing) maintained by the consumer protection division of the attorney general's office (division), regardless of whether the service used or subscribed to is for personal or business purposes: (1) A user of a prepaid wireless calling service. (2) A mobile telecommunications service subscriber. Requires the division to: (1) allow consumers who use or subscribe to such services for business purposes to be included in the listing; and (2) before January 1, 2020, adopt any rules that the division determines to be necessary to allow for such inclusion. In addition to requiring the division to notify Indiana residents of the right of any eligible consumer to place a telephone number on the listing, requires the division to notify residents of the following: (1) The prohibition under federal law against a person making any call using an: (A) automatic telephone dialing system; or (B) artificial or  
(Continued next page)

**Effective:** Upon passage; July 1, 2019.

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**Ellington, Soliday, DeVon, Lauer**

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January 7, 2019, read first time and referred to Committee on Utilities, Energy and Telecommunications.  
January 24, 2019, amended, reported — Do Pass.

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## Digest Continued

prerecorded voice; to any telephone number assigned to a mobile telecommunications service. (2) The prohibition under federal law against a person initiating any telephone call to any residential telephone line using an artificial or prerecorded voice to deliver a message without the prior consent of the called party. (3) The right of any eligible consumer under the statute to place a telephone number on the National Do Not Call Registry operated by the Federal Trade Commission. Allows the division to use the consumer protection division telephone solicitation fund (fund) to: (1) administer the statutes concerning: (A) the registration of telephone solicitors; and (B) the regulation of automatic dialing machines; and (2) reimburse county prosecutors for expenses incurred in extraditing violators of these and other state and federal statutes concerning telephone solicitations. (Current law provides that the fund may only be used to administer: (1) the state's "do not call" statute; (2) the federal statute concerning restrictions on the use of telephone equipment; and (3) the state statute concerning misleading or inaccurate caller identification.) Defines "executive" for purposes of the statute. Provides that an executive of a person that violates the statute commits a separate deceptive act actionable by the division. Provides that all sellers that make certain solicitations must register with the division. (Under current law, registration is required only if the solicitation involves consideration of more than \$100 and less than \$50,000.) Provides that certain civil penalties recovered by the attorney general for violations of the statutes concerning: (1) the registration of telephone solicitors; and (2) the regulation of automatic dialing machines; shall be deposited in the consumer protection division telephone solicitation fund. Provides that the attorney general can collect attorney fees and costs in a civil action for a violation of the statute prohibiting misleading or inaccurate caller identification (caller ID statute). Makes technical changes to the deceptive consumer sales act concerning violations of the caller ID statute. Provides that after June 30, 2019, the caller ID statute applies to the transmission of information through a caller identification service only with respect to commercial telephone solicitations. Urges the legislative council to assign to the interim study committee on corrections and criminal code the task of studying the following: (1) Whether existing criminal penalties for violations of specified telephone solicitation statutes should be increased. (2) The potential effects of increasing criminal penalties for violations of the statutes on: (A) the ability of the office of the attorney general to enforce compliance with the statutes; and (B) the state's criminal justice system.



January 25, 2019

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## HOUSE BILL No. 1123

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 24-4.7-1-1 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. This article does not  
3 apply to any of the following:
- 4 (1) A telephone call made in response to an express request of the  
5 person called.
  - 6 (2) A telephone call made primarily in connection with an  
7 existing debt or contract for which payment or performance has  
8 not been completed at the time of the call.
  - 9 (3) A telephone call made on behalf of a charitable organization  
10 that is exempt from federal income taxation under Section 501 of  
11 the Internal Revenue Code, but only if all of the following apply:
    - 12 (A) The telephone call is made by a volunteer or an employee  
13 of the charitable organization.
    - 14 (B) The telephone solicitor who makes the telephone call  
15 immediately discloses all of the following information upon  
16 making contact with the consumer:
      - 17 (i) The solicitor's true first and last name.

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- 1 (ii) The name, address, and telephone number of the  
 2 charitable organization.
- 3 (4) A telephone call made by an individual licensed under  
 4 IC 25-34.1 if:
- 5 (A) the sale of goods or services is not completed; and  
 6 (B) the payment or authorization of payment is not required;  
 7 until after a face to face sales presentation by the seller.
- 8 (5) A telephone call made by an individual licensed under  
 9 IC 27-1-15.6 or IC 27-1-15.8 when the individual is soliciting an  
 10 application for insurance or negotiating a policy of insurance on  
 11 behalf of an insurer (as defined in IC 27-1-2-3).
- 12 (6) A telephone call soliciting the sale of a newspaper of general  
 13 circulation, but only if the telephone call is made by a volunteer  
 14 or an employee of the newspaper.
- 15 **(7) Any telephone call made to a consumer by a**  
 16 **communications service provider (as defined in IC 8-1-32.5-4)**  
 17 **that has an established business relationship (as defined in 47**  
 18 **CFR 64.1200) with the consumer.**
- 19 **(8) Any telephone call made to a consumer by:**
- 20 **(A) a financial institution organized or reorganized under**  
 21 **the laws of any state or the United States; or**
- 22 **(B) a person licensed by the department of financial**  
 23 **institutions under IC 24-4.4, IC 24-4.5, or 750 IAC 9;**  
 24 **that has an established business relationship (as defined in 47**  
 25 **CFR 64.1200) with the consumer.**
- 26 SECTION 2. IC 24-4.7-2-2, AS AMENDED BY P.L.226-2011,  
 27 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2019]: Sec. 2. (a) "~~Consumer~~" **Except as provided in**  
 29 **subsection (b), "consumer"** means a residential telephone subscriber  
 30 who:
- 31 (1) for the telephone service received:
- 32 (A) has a place of primary use in Indiana; or  
 33 (B) is issued an Indiana telephone number or an Indiana  
 34 identification number; and
- 35 (2) is an actual or a prospective:
- 36 (A) purchaser, lessee, or recipient of consumer goods or  
 37 services; or  
 38 (B) donor to a charitable organization.
- 39 (b) The term includes **the following:**
- 40 **(1) A user of a prepaid wireless calling service (as defined in**  
 41 **IC 6-2.5-1-22.4) who:**
- 42 **(+) (A) is issued an Indiana telephone number or an Indiana**



- 1 identification number for the service; or  
 2 ~~(2)~~ **(B)** purchases prepaid wireless calling service in a retail  
 3 transaction that is sourced to Indiana (as determined under  
 4 IC 6-2.5-12-16);  
 5 **regardless of whether the prepaid wireless calling service is**  
 6 **used for personal or business purposes.**  
 7 **(2) A mobile telecommunications service (as defined in**  
 8 **IC 6-8.1-15-7) subscriber who is issued an Indiana telephone**  
 9 **number or an Indiana identification number for the service,**  
 10 **regardless of whether the service is used for personal or**  
 11 **business purposes.**  
 12 SECTION 3. IC 24-4.7-2-3 IS AMENDED TO READ AS  
 13 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. "Consumer goods or  
 14 services" means any of the following:  
 15 (1) Tangible or intangible personal property or real property that  
 16 is normally used for personal, family, or household purposes.  
 17 **(2) Other tangible or intangible personal property or real**  
 18 **property, with respect to a consumer described in section 2(b)**  
 19 **of this chapter who:**  
 20 **(A) uses a prepaid wireless calling service; or**  
 21 **(B) subscribes to a mobile telecommunications service (as**  
 22 **defined in IC 6-8.1-15-7);**  
 23 **for business purposes.**  
 24 ~~(2)~~ **(3)** Property intended to be attached to or installed on real  
 25 property without regard to whether it is attached or installed.  
 26 ~~(3)~~ **(4)** Services related to property described in subdivision (1),  
 27 **or (2), or (3).**  
 28 ~~(4)~~ **(5)** Credit cards or the extension of credit.  
 29 SECTION 4. IC 24-4.7-2-5.5 IS ADDED TO THE INDIANA  
 30 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 31 [EFFECTIVE JULY 1, 2019]: **Sec. 5.5. "Executive" means any of the**  
 32 **following, as applicable:**  
 33 **(1) With respect to a corporation, a person who is or performs**  
 34 **the duties of the:**  
 35 **(A) president;**  
 36 **(B) chief executive officer;**  
 37 **(C) treasurer; or**  
 38 **(D) chief financial officer;**  
 39 **of the corporation.**  
 40 **(2) With respect to a partnership, a partner authorized to act**  
 41 **on behalf of the partnership.**  
 42 **(3) With respect to a limited liability company, a member of**



1           **the limited liability company who has not had the member's**  
 2           **authority to act on behalf of the limited liability company**  
 3           **revoked.**

4           SECTION 5. IC 24-4.7-2-8, AS AMENDED BY P.L.226-2011,  
 5           SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6           JULY 1, 2019]: Sec. 8. "Telephone number" means a ~~residential~~  
 7           telephone number that:

- 8           (1) is assigned to a subscriber who has a place of primary use in  
 9           Indiana, **in the case of a residential subscriber;** or  
 10          (2) otherwise represents an Indiana telephone number or is  
 11          associated with an Indiana identification number.

12          SECTION 6. IC 24-4.7-3-1.5 IS ADDED TO THE INDIANA  
 13          CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 14          [EFFECTIVE JULY 1, 2019]: **Sec. 1.5. (a) The division shall allow**  
 15          **any consumer, including a consumer described in IC 24-4.7-2-2(b)**  
 16          **who:**

- 17          **(1) uses a prepaid wireless calling service; or**  
 18          **(2) subscribes to a mobile telecommunications service (as**  
 19          **defined in IC 6-8.1-15-7);**

20          **for business purposes, to be included in the quarterly listing of**  
 21          **telephone numbers of persons that request not to be solicited by**  
 22          **telephone.**

23          **(b) Before January 1, 2020, the division shall adopt any rules**  
 24          **that the division determines to be necessary to implement this**  
 25          **section. The division shall adopt any rules that the division**  
 26          **determines to be necessary to implement this section in the manner**  
 27          **provided under IC 4-22-2-37.1 for the adoption of emergency rules.**  
 28          **Notwithstanding IC 4-22-2-37.1(g), an emergency rule adopted by**  
 29          **the division under this subsection and in the manner provided by**  
 30          **IC 4-22-2-37.1 expires on the date on which a rule that supersedes**  
 31          **the emergency rule is adopted by the division under IC 4-22-2-24**  
 32          **through IC 4-22-2-36.**

33          SECTION 7. IC 24-4.7-3-4, AS AMENDED BY P.L.226-2011,  
 34          SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35          JULY 1, 2019]: Sec. 4. The division shall notify Indiana residents of  
 36          **the following:**

- 37          **(1) The rights and duties created by this article, including the**  
 38          **right of any of the ~~following~~ consumers **described in****  
 39          **IC 24-4.7-2-2 to place a telephone number on the listing**  
 40          **established and maintained under section 1 of this chapter.**  
 41          **(1) Subscribers of interconnected VOIP service:**  
 42          **(2) Subscribers of mobile telecommunications service (as defined**



1 in IC 6-8.1-15-7):

2 ~~(3) Users of a prepaid wireless calling service, as described in~~  
 3 ~~IC 24-4.7-2-2(b).~~

4 **(2) The prohibition under 47 U.S.C. 227(b) against a person**  
 5 **making any call using an:**

6 **(A) automatic telephone dialing system; or**

7 **(B) artificial or prerecorded voice;**

8 **to any telephone number assigned to a mobile**  
 9 **telecommunications service (as defined in IC 6-8.1-15-7), or to**  
 10 **another radio common carrier service.**

11 **(3) The prohibition under 47 U.S.C. 227(b) against a person**  
 12 **initiating any telephone call to any residential telephone line**  
 13 **using an artificial or prerecorded voice to deliver a message**  
 14 **without the prior consent of the called party, subject to the**  
 15 **exceptions set forth in 47 U.S.C. 227(b).**

16 **(4) The right of any of the consumers described in**  
 17 **IC 24-4.7-2-2 to place a telephone number on the National Do**  
 18 **Not Call Registry operated by the Federal Trade Commission.**

19 SECTION 8. IC 24-4.7-3-6, AS AMENDED BY P.L.65-2014,  
 20 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2019]: Sec. 6. (a) The consumer protection division telephone  
 22 solicitation fund is established for the ~~purpose of following purposes:~~

23 **(1) The administration of:**

24 ~~(+)~~ **(A) this article;**

25 ~~(2)~~ **(B) IC 24-5-0.5-3(b)(19); and**

26 **(C) IC 24-5-12;**

27 **(D) IC 24-5-14; and**

28 ~~(3)~~ **(E) IC 24-5-14.5.**

29 **(2) The reimbursement of county prosecutors for expenses**  
 30 **incurred in extraditing violators of any statute set forth in**  
 31 **subdivision (1).**

32 The fund shall be used exclusively for ~~this purpose:~~ **these purposes.**

33 (b) The division shall administer the fund.

34 (c) ~~The division shall deposit fund consists of~~ **all revenue received:**

35 (1) under this article;

36 (2) from civil penalties ~~deposited recovered~~ under  
 37 IC 24-5-0.5-4(h); ~~and~~

38 **(3) from civil penalties recovered after June 30, 2019, under**  
 39 **IC 24-5-12-23(b);**

40 **(4) from civil penalties recovered after June 30, 2019, under**  
 41 **IC 24-5-14-13(b); and**

42 ~~(5)~~ **(5) from civil penalties ~~deposited recovered~~ under**



1 IC 24-5-14.5-12.

2 ~~in the fund:~~

3 (d) Money in the fund is continuously appropriated to the division  
4 for the ~~administration of:~~

5 ~~(1) this article;~~

6 ~~(2) IC 24-5-0.5-3(b)(19); and~~

7 ~~(3) IC 24-5-14.5.~~ **purposes set forth in subsection (a).**

8 (e) Money in the fund at the end of a state fiscal year does not revert  
9 to the state general fund. However, if the amount of money in the fund  
10 at the end of a particular state fiscal year exceeds two hundred  
11 thousand dollars (\$200,000), the treasurer of state shall transfer the  
12 excess from the fund to the state general fund.

13 SECTION 9. IC 24-4.7-5-1, AS AMENDED BY P.L.153-2017,  
14 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JULY 1, 2019]: Sec. 1. **(a)** A telephone solicitor, a supplier, or a caller  
16 who fails to comply with any provision of IC 24-4.7-4 commits a  
17 deceptive act that is actionable by the attorney general under this  
18 chapter.

19 **(b)** A person who directly or indirectly controls a person that fails  
20 to comply with any provision of IC 24-4.7-4 commits a separate  
21 deceptive act that is actionable by the attorney general under this  
22 chapter.

23 **(c) If:**

24 **(1) the person described in subsection (b) is an executive with**  
25 **respect to a telephone solicitor, a supplier, or a caller; and**

26 **(2) the telephone solicitor, supplier, or caller fails to comply**  
27 **with any provision of IC 24-4.7-4;**

28 **the person described in subsection (b) commits a separate**  
29 **deceptive act that is actionable by the attorney general under this**  
30 **chapter.**

31 ~~(d) In addition,~~ A contractor who contracts or seeks to contract with  
32 the state:

33 (1) may be prohibited from contracting with the state; or

34 (2) may have an existing contract with the state voided;

35 if the contractor, an affiliate or principal of the contractor, a person that  
36 directly or indirectly controls the contractor, any agent acting on behalf  
37 of the contractor or an affiliate or principal of the contractor, or a  
38 person that directly or indirectly controls the agent does not comply or  
39 has not complied with the terms of this article, even if this article is  
40 preempted by federal law.

41 SECTION 10. IC 24-5-0.5-3, AS AMENDED BY P.L.170-2017,  
42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE





1 JULY 1, 2019]: Sec. 3. (a) A supplier may not commit an unfair,  
2 abusive, or deceptive act, omission, or practice in connection with a  
3 consumer transaction. Such an act, omission, or practice by a supplier  
4 is a violation of this chapter whether it occurs before, during, or after  
5 the transaction. An act, omission, or practice prohibited by this section  
6 includes both implicit and explicit misrepresentations.

7 (b) Without limiting the scope of subsection (a), the following acts,  
8 and the following representations as to the subject matter of a  
9 consumer transaction, made orally, in writing, or by electronic  
10 communication, by a supplier, are deceptive acts:

11 (1) That such subject of a consumer transaction has sponsorship,  
12 approval, performance, characteristics, accessories, uses, or  
13 benefits it does not have which the supplier knows or should  
14 reasonably know it does not have.

15 (2) That such subject of a consumer transaction is of a particular  
16 standard, quality, grade, style, or model, if it is not and if the  
17 supplier knows or should reasonably know that it is not.

18 (3) That such subject of a consumer transaction is new or unused,  
19 if it is not and if the supplier knows or should reasonably know  
20 that it is not.

21 (4) That such subject of a consumer transaction will be supplied  
22 to the public in greater quantity than the supplier intends or  
23 reasonably expects.

24 (5) That replacement or repair constituting the subject of a  
25 consumer transaction is needed, if it is not and if the supplier  
26 knows or should reasonably know that it is not.

27 (6) That a specific price advantage exists as to such subject of a  
28 consumer transaction, if it does not and if the supplier knows or  
29 should reasonably know that it does not.

30 (7) That the supplier has a sponsorship, approval, or affiliation in  
31 such consumer transaction the supplier does not have, and which  
32 the supplier knows or should reasonably know that the supplier  
33 does not have.

34 (8) That such consumer transaction involves or does not involve  
35 a warranty, a disclaimer of warranties, or other rights, remedies,  
36 or obligations, if the representation is false and if the supplier  
37 knows or should reasonably know that the representation is false.

38 (9) That the consumer will receive a rebate, discount, or other  
39 benefit as an inducement for entering into a sale or lease in return  
40 for giving the supplier the names of prospective consumers or  
41 otherwise helping the supplier to enter into other consumer  
42 transactions, if earning the benefit, rebate, or discount is



- 1 contingent upon the occurrence of an event subsequent to the time  
 2 the consumer agrees to the purchase or lease.
- 3 (10) That the supplier is able to deliver or complete the subject of  
 4 the consumer transaction within a stated period of time, when the  
 5 supplier knows or should reasonably know the supplier could not.  
 6 If no time period has been stated by the supplier, there is a  
 7 presumption that the supplier has represented that the supplier  
 8 will deliver or complete the subject of the consumer transaction  
 9 within a reasonable time, according to the course of dealing or the  
 10 usage of the trade.
- 11 (11) That the consumer will be able to purchase the subject of the  
 12 consumer transaction as advertised by the supplier, if the supplier  
 13 does not intend to sell it.
- 14 (12) That the replacement or repair constituting the subject of a  
 15 consumer transaction can be made by the supplier for the estimate  
 16 the supplier gives a customer for the replacement or repair, if the  
 17 specified work is completed and:
- 18 (A) the cost exceeds the estimate by an amount equal to or
  - 19 greater than ten percent (10%) of the estimate;
  - 20 (B) the supplier did not obtain written permission from the
  - 21 customer to authorize the supplier to complete the work even
  - 22 if the cost would exceed the amounts specified in clause (A);
  - 23 (C) the total cost for services and parts for a single transaction
  - 24 is more than seven hundred fifty dollars (\$750); and
  - 25 (D) the supplier knew or reasonably should have known that
  - 26 the cost would exceed the estimate in the amounts specified in
  - 27 clause (A).
- 28 (13) That the replacement or repair constituting the subject of a  
 29 consumer transaction is needed, and that the supplier disposes of  
 30 the part repaired or replaced earlier than seventy-two (72) hours  
 31 after both:
- 32 (A) the customer has been notified that the work has been
  - 33 completed; and
  - 34 (B) the part repaired or replaced has been made available for
  - 35 examination upon the request of the customer.
- 36 (14) Engaging in the replacement or repair of the subject of a  
 37 consumer transaction if the consumer has not authorized the  
 38 replacement or repair, and if the supplier knows or should  
 39 reasonably know that it is not authorized.
- 40 (15) The act of misrepresenting the geographic location of the  
 41 supplier by listing an alternate business name or an assumed  
 42 business name (as described in IC 23-0.5-3-4) in a local telephone



- 1 directory if:
- 2 (A) the name misrepresents the supplier's geographic location;
- 3 (B) the listing fails to identify the locality and state of the
- 4 supplier's business;
- 5 (C) calls to the local telephone number are routinely forwarded
- 6 or otherwise transferred to a supplier's business location that
- 7 is outside the calling area covered by the local telephone
- 8 directory; and
- 9 (D) the supplier's business location is located in a county that
- 10 is not contiguous to a county in the calling area covered by the
- 11 local telephone directory.
- 12 (16) The act of listing an alternate business name or assumed
- 13 business name (as described in IC 23-0.5-3-4) in a directory
- 14 assistance data base if:
- 15 (A) the name misrepresents the supplier's geographic location;
- 16 (B) calls to the local telephone number are routinely forwarded
- 17 or otherwise transferred to a supplier's business location that
- 18 is outside the local calling area; and
- 19 (C) the supplier's business location is located in a county that
- 20 is not contiguous to a county in the local calling area.
- 21 (17) The violation by a supplier of IC 24-3-4 concerning
- 22 cigarettes for import or export.
- 23 (18) The act of a supplier in knowingly selling or reselling a
- 24 product to a consumer if the product has been recalled, whether
- 25 by the order of a court or a regulatory body, or voluntarily by the
- 26 manufacturer, distributor, or retailer, unless the product has been
- 27 repaired or modified to correct the defect that was the subject of
- 28 the recall.
- 29 (19) The violation by a supplier of 47 U.S.C. 227, including any
- 30 rules or regulations issued under 47 U.S.C. 227.
- 31 (20) The violation by a supplier of the federal Fair Debt
- 32 Collection Practices Act (15 U.S.C. 1692 et seq.), including any
- 33 rules or regulations issued under the federal Fair Debt Collection
- 34 Practices Act (15 U.S.C. 1692 et seq.).
- 35 (21) A violation of IC 24-5-7 (concerning health spa services), as
- 36 set forth in IC 24-5-7-17.
- 37 (22) A violation of IC 24-5-8 (concerning business opportunity
- 38 transactions), as set forth in IC 24-5-8-20.
- 39 (23) A violation of IC 24-5-10 (concerning home consumer
- 40 transactions), as set forth in IC 24-5-10-18.
- 41 (24) A violation of IC 24-5-11 (concerning real property
- 42 improvement contracts), as set forth in IC 24-5-11-14.



- 1 (25) A violation of IC 24-5-12 (concerning telephone
- 2 solicitations), as set forth in IC 24-5-12-23.
- 3 (26) A violation of IC 24-5-13.5 (concerning buyback motor
- 4 vehicles), as set forth in IC 24-5-13.5-14.
- 5 (27) A violation of IC 24-5-14 (concerning automatic
- 6 dialing-announcing devices), as set forth in IC 24-5-14-13.
- 7 (28) A violation of IC 24-5-15 (concerning credit services
- 8 organizations), as set forth in IC 24-5-15-11.
- 9 (29) A violation of IC 24-5-16 (concerning unlawful motor
- 10 vehicle subleasing), as set forth in IC 24-5-16-18.
- 11 (30) A violation of IC 24-5-17 (concerning environmental
- 12 marketing claims), as set forth in IC 24-5-17-14.
- 13 (31) A violation of IC 24-5-19 (concerning deceptive commercial
- 14 solicitation), as set forth in IC 24-5-19-11.
- 15 (32) A violation of IC 24-5-21 (concerning prescription drug
- 16 discount cards), as set forth in IC 24-5-21-7.
- 17 (33) A violation of IC 24-5-23.5-7 (concerning real estate
- 18 appraisals), as set forth in IC 24-5-23.5-9.
- 19 (34) A violation of IC 24-5-26 (concerning identity theft), as set
- 20 forth in IC 24-5-26-3.
- 21 (35) A violation of IC 24-5.5 (concerning mortgage rescue fraud),
- 22 as set forth in IC 24-5.5-6-1.
- 23 (36) A violation of IC 24-8 (concerning promotional gifts and
- 24 contests), as set forth in IC 24-8-6-3.
- 25 (37) A violation of IC 21-18.5-6 (concerning representations
- 26 made by a postsecondary credit bearing proprietary educational
- 27 institution), as set forth in IC 21-18.5-6-22.5.
- 28 **(38) A violation of IC 24-5-14.5 (concerning misleading or**
- 29 **inaccurate caller identification information), as set forth in**
- 30 **IC 24-5-14.5-12.**
- 31 (c) Any representations on or within a product or its packaging or
- 32 in advertising or promotional materials which would constitute a
- 33 deceptive act shall be the deceptive act both of the supplier who places
- 34 such representation thereon or therein, or who authored such materials,
- 35 and such other suppliers who shall state orally or in writing that such
- 36 representation is true if such other supplier shall know or have reason
- 37 to know that such representation was false.
- 38 (d) If a supplier shows by a preponderance of the evidence that an
- 39 act resulted from a bona fide error notwithstanding the maintenance of
- 40 procedures reasonably adopted to avoid the error, such act shall not be
- 41 deceptive within the meaning of this chapter.
- 42 (e) It shall be a defense to any action brought under this chapter that



1 the representation constituting an alleged deceptive act was one made  
2 in good faith by the supplier without knowledge of its falsity and in  
3 reliance upon the oral or written representations of the manufacturer,  
4 the person from whom the supplier acquired the product, any testing  
5 organization, or any other person provided that the source thereof is  
6 disclosed to the consumer.

7 (f) For purposes of subsection (b)(12), a supplier that provides  
8 estimates before performing repair or replacement work for a customer  
9 shall give the customer a written estimate itemizing as closely as  
10 possible the price for labor and parts necessary for the specific job  
11 before commencing the work.

12 (g) For purposes of subsection (b)(15) and (b)(16), a telephone  
13 company or other provider of a telephone directory or directory  
14 assistance service or its officer or agent is immune from liability for  
15 publishing the listing of an alternate business name or assumed  
16 business name of a supplier in its directory or directory assistance data  
17 base unless the telephone company or other provider of a telephone  
18 directory or directory assistance service is the same person as the  
19 supplier who has committed the deceptive act.

20 (h) For purposes of subsection (b)(18), it is an affirmative defense  
21 to any action brought under this chapter that the product has been  
22 altered by a person other than the defendant to render the product  
23 completely incapable of serving its original purpose.

24 SECTION 11. IC 24-5-0.5-4, AS AMENDED BY P.L.65-2014,  
25 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JULY 1, 2019]: Sec. 4. (a) A person relying upon an uncured or  
27 incurable deceptive act may bring an action for the damages actually  
28 suffered as a consumer as a result of the deceptive act or five hundred  
29 dollars (\$500), whichever is greater. The court may increase damages  
30 for a willful deceptive act in an amount that does not exceed the greater  
31 of:

- 32 (1) three (3) times the actual damages of the consumer suffering  
33 the loss; or
- 34 (2) one thousand dollars (\$1,000).

35 Except as provided in subsection (j), the court may award reasonable  
36 attorney fees to the party that prevails in an action under this  
37 subsection. This subsection does not apply to a consumer transaction  
38 in real property, including a claim or action involving a construction  
39 defect (as defined in IC 32-27-3-1(5)) brought against a construction  
40 professional (as defined in IC 32-27-3-1(4)), except for purchases of  
41 time shares and camping club memberships. This subsection does not  
42 apply with respect to a deceptive act described in section 3(b)(20) of



1 this chapter. This subsection also does not apply to a violation of  
2 IC 24-4.7, IC 24-5-12, IC 24-5-14, or IC 24-5-14.5. Actual damages  
3 awarded to a person under this section have priority over any civil  
4 penalty imposed under this chapter.

5 (b) Any person who is entitled to bring an action under subsection  
6 (a) on the person's own behalf against a supplier for damages for a  
7 deceptive act may bring a class action against such supplier on behalf  
8 of any class of persons of which that person is a member and which has  
9 been damaged by such deceptive act, subject to and under the Indiana  
10 Rules of Trial Procedure governing class actions, except as herein  
11 expressly provided. Except as provided in subsection (j), the court may  
12 award reasonable attorney fees to the party that prevails in a class  
13 action under this subsection, provided that such fee shall be determined  
14 by the amount of time reasonably expended by the attorney and not by  
15 the amount of the judgment, although the contingency of the fee may  
16 be considered. Except in the case of an extension of time granted by the  
17 attorney general under IC 24-10-2-2(b) in an action subject to IC 24-10,  
18 any money or other property recovered in a class action under this  
19 subsection which cannot, with due diligence, be restored to consumers  
20 within one (1) year after the judgment becomes final shall be returned  
21 to the party depositing the same. This subsection does not apply to a  
22 consumer transaction in real property, except for purchases of time  
23 shares and camping club memberships. This subsection does not apply  
24 with respect to a deceptive act described in section 3(b)(20) of this  
25 chapter. Actual damages awarded to a class have priority over any civil  
26 penalty imposed under this chapter.

27 (c) The attorney general may bring an action to enjoin a deceptive  
28 act, including a deceptive act described in section 3(b)(20) of this  
29 chapter, notwithstanding subsections (a) and (b). However, the attorney  
30 general may seek to enjoin patterns of incurable deceptive acts with  
31 respect to consumer transactions in real property. In addition, the court  
32 may:

- 33 (1) issue an injunction;
- 34 (2) order the supplier to make payment of the money unlawfully  
35 received from the aggrieved consumers to be held in escrow for  
36 distribution to aggrieved consumers;
- 37 (3) for a knowing violation against a senior consumer, increase  
38 the amount of restitution ordered under subdivision (2) in any  
39 amount up to three (3) times the amount of damages incurred or  
40 value of property or assets lost;
- 41 (4) order the supplier to pay to the state the reasonable costs of  
42 the attorney general's investigation and prosecution related to the



1 action;

2 (5) provide for the appointment of a receiver; and

3 (6) order the department of state revenue to suspend the supplier's  
4 registered retail merchant certificate, subject to the requirements  
5 and prohibitions contained in IC 6-2.5-8-7(i), if the court finds  
6 that a violation of this chapter involved the sale or solicited sale  
7 of a synthetic drug (as defined in IC 35-31.5-2-321) or a synthetic  
8 drug lookalike substance (as defined in IC 35-31.5-2-321.5).

9 (d) In an action under subsection (a), (b), or (c), the court may void  
10 or limit the application of contracts or clauses resulting from deceptive  
11 acts and order restitution to be paid to aggrieved consumers.

12 (e) In any action under subsection (a) or (b), upon the filing of the  
13 complaint or on the appearance of any defendant, claimant, or any  
14 other party, or at any later time, the trial court, the supreme court, or the  
15 court of appeals may require the plaintiff, defendant, claimant, or any  
16 other party or parties to give security, or additional security, in such  
17 sum as the court shall direct to pay all costs, expenses, and  
18 disbursements that shall be awarded against that party or which that  
19 party may be directed to pay by any interlocutory order by the final  
20 judgment or on appeal.

21 (f) Any person who violates the terms of an injunction issued under  
22 subsection (c) shall forfeit and pay to the state a civil penalty of not  
23 more than fifteen thousand dollars (\$15,000) per violation. For the  
24 purposes of this section, the court issuing an injunction shall retain  
25 jurisdiction, the cause shall be continued, and the attorney general  
26 acting in the name of the state may petition for recovery of civil  
27 penalties. Whenever the court determines that an injunction issued  
28 under subsection (c) has been violated, the court shall award  
29 reasonable costs to the state.

30 (g) If a court finds any person has knowingly violated section 3 or  
31 10 of this chapter, other than section 3(b)(19), ~~or 3(b)(20)~~, **or 3(b)(38)**  
32 of this chapter, the attorney general, in an action pursuant to subsection  
33 (c), may recover from the person on behalf of the state a civil penalty  
34 of a fine not exceeding five thousand dollars (\$5,000) per violation.

35 (h) If a court finds that a person has violated section 3(b)(19) of this  
36 chapter, the attorney general, in an action under subsection (c), may  
37 recover from the person on behalf of the state a civil penalty as follows:

38 (1) For a knowing or intentional violation, one thousand five  
39 hundred dollars (\$1,500).

40 (2) For a violation other than a knowing or intentional violation,  
41 five hundred dollars (\$500).

42 A civil penalty recovered under this subsection shall be deposited in



1 the consumer protection division telephone solicitation fund  
 2 established by IC 24-4.7-3-6 to be used for the administration and  
 3 enforcement of section 3(b)(19) of this chapter.

4 (i) A senior consumer relying upon an uncured or incurable  
 5 deceptive act, including an act related to hypnotism, may bring an  
 6 action to recover treble damages, if appropriate.

7 (j) An offer to cure is:

8 (1) not admissible as evidence in a proceeding initiated under this  
 9 section unless the offer to cure is delivered by a supplier to the  
 10 consumer or a representative of the consumer before the supplier  
 11 files the supplier's initial response to a complaint; and

12 (2) only admissible as evidence in a proceeding initiated under  
 13 this section to prove that a supplier is not liable for attorney's fees  
 14 under subsection (k).

15 If the offer to cure is timely delivered by the supplier, the supplier may  
 16 submit the offer to cure as evidence to prove in the proceeding in  
 17 accordance with the Indiana Rules of Trial Procedure that the supplier  
 18 made an offer to cure.

19 (k) A supplier may not be held liable for the attorney's fees and  
 20 court costs of the consumer that are incurred following the timely  
 21 delivery of an offer to cure as described in subsection (j) unless the  
 22 actual damages awarded, not including attorney's fees and costs, exceed  
 23 the value of the offer to cure.

24 (l) If a court finds that a person has knowingly violated section  
 25 3(b)(20) of this chapter, the attorney general, in an action under  
 26 subsection (c), may recover from the person on behalf of the state a  
 27 civil penalty not exceeding one thousand dollars (\$1,000) per  
 28 consumer. In determining the amount of the civil penalty in any action  
 29 by the attorney general under this subsection, the court shall consider,  
 30 among other relevant factors, the frequency and persistence of  
 31 noncompliance by the debt collector, the nature of the noncompliance,  
 32 and the extent to which the noncompliance was intentional. A person  
 33 may not be held liable in any action by the attorney general for a  
 34 violation of section 3(b)(20) of this chapter if the person shows by a  
 35 preponderance of evidence that the violation was not intentional and  
 36 resulted from a bona fide error, notwithstanding the maintenance of  
 37 procedures reasonably adapted to avoid the error. A person may not be  
 38 held liable in any action for a violation of this chapter for contacting a  
 39 person other than the debtor, if the contact is made in compliance with  
 40 the Fair Debt Collection Practices Act.

41 **(m) If a court finds that a person has knowingly or intentionally**  
 42 **violated section 3(b)(38) of this chapter, the attorney general, in an**





1 action under subsection (c), may recover from the person on behalf  
 2 of the state a civil penalty in accordance with IC 24-5-14.5-12(b).  
 3 As specified in IC 24-5-14.5-12(b), a civil penalty recovered under  
 4 IC 24-5-14.5-12(b) shall be deposited in the consumer protection  
 5 division telephone solicitation fund established by IC 24-4.7-3-6 to  
 6 be used for the administration and enforcement of IC 24-5-14.5. In  
 7 addition to the recovery of a civil penalty in accordance with  
 8 IC 24-5-14.5-12(b), the attorney general may also recover  
 9 reasonable attorney fees and court costs from the person on behalf  
 10 of the state. Those funds shall also be deposited in the consumer  
 11 protection division telephone solicitation fund established by  
 12 IC 24-4.7-3-6.

13 SECTION 12. IC 24-5-12-10 IS AMENDED TO READ AS  
 14 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 10. (a) Before doing  
 15 business in Indiana, a seller must register with the division. if the seller  
 16 attempts a solicitation under which the seller offers an item or items  
 17 where the total consideration has a value of more than one hundred  
 18 dollars (\$100) and less than fifty thousand dollars (\$50,000):

19 (b) A person does business in Indiana if the person solicits:

- 20 (1) from a location in Indiana; or
- 21 (2) a prospect who is located in Indiana.

22 SECTION 13. IC 24-5-12-23, AS AMENDED BY P.L.222-2005,  
 23 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2019]: Sec. 23. (a) A seller who fails to comply with any  
 25 provision of:

- 26 (1) this chapter; or
- 27 (2) IC 24-4.7;

28 commits a deceptive act that is actionable by the attorney general under  
 29 IC 24-5-0.5-4(c) and is subject to the penalties set forth in IC 24-5-0.5.  
 30 An action for a violation of IC 24-4.7 may be brought under  
 31 IC 24-5-0.5-4(c) or IC 24-4.7-5. An action by the attorney general for  
 32 a violation of this chapter or IC 24-4.7 may be brought in the circuit or  
 33 superior court of Marion County.

34 (b) A civil penalty recovered by the attorney general under:

- 35 (1) IC 24-5-0.5-4(g); or
- 36 (2) IC 24-5-0.5-8;

37 for a violation of this chapter shall be deposited in the consumer  
 38 protection division telephone solicitation fund established by  
 39 IC 24-4.7-3-6 to be used for the administration and enforcement of  
 40 this chapter.

41 SECTION 14. IC 24-5-14-13 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) A caller who



1 violates this chapter commits a deceptive act that is actionable by the  
2 attorney general under IC 24-5-0.5-4 and that is subject to:

3 (1) the remedies and penalties under IC 24-5-0.5-4(c),  
4 IC 24-5-0.5-4(d), and IC 24-5-0.5-4(f); ~~IC 24-5-0.5-4(g); and~~  
5 ~~IC 24-5-0.5-8; and~~

6 (2) a civil penalty of not more than the following:

7 (A) Ten thousand dollars (\$10,000) for the first violation.

8 (B) Twenty-five thousand dollars (\$25,000) for each  
9 violation after the first violation.

10 (b) A civil penalty recovered by the attorney general under  
11 subsection (a)(2) for a violation of this chapter shall be deposited  
12 in the consumer protection division telephone solicitation fund  
13 established by IC 24-4.7-3-6 to be used for the administration and  
14 enforcement of this chapter.

15 SECTION 15. IC 24-5-14.5-1, AS ADDED BY P.L.151-2013,  
16 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2019]: Sec. 1. (a) This chapter applies to the transmission of  
18 information through a caller identification service with respect to calls  
19 made after June 30, 2013, to a subscriber.

20 (b) After June 30, 2019, this chapter applies to the transmission  
21 of information through a caller identification service only with  
22 respect to commercial telephone solicitations made to a subscriber.

23 SECTION 16. IC 24-5-14.5-3.1 IS ADDED TO THE INDIANA  
24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
25 [EFFECTIVE JULY 1, 2019]: Sec. 3.1. (a) As used in this chapter,  
26 "commercial telephone solicitation" means any unsolicited call  
27 that is made to a subscriber and with respect to which:

28 (1) neither:

29 (A) the person initiating the call; nor

30 (B) the employer or person for whom the person initiating  
31 the call is acting as an employee, an agent, or a contractor;  
32 has had a prior business or personal relationship with the  
33 subscriber; and

34 (2) the purpose of the call is to solicit the purchase or the  
35 consideration of the purchase of goods or services by the  
36 subscriber.

37 (b) The term does not include calls:

38 (1) made in response to a call initiated by a subscriber; or

39 (2) initiated by:

40 (A) the state or a political subdivision (as defined by  
41 IC 36-1-2-13) for exclusively public purposes; or

42 (B) the United States or any of its subdivisions for



- 1                   **exclusively public purposes (involving real property in**  
 2                   **Indiana).**
- 3           SECTION 17. IC 24-5-14.5-9, AS ADDED BY P.L.151-2013,  
 4           SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5           JULY 1, 2019]: Sec. 9. Except as provided in section 10 of this chapter,  
 6           a person shall not, in connection with any telecommunications service  
 7           or interconnected VOIP service **used in a commercial telephone**  
 8           **solicitation**, knowingly and with the intent to defraud or cause harm to  
 9           another person or to wrongfully obtain anything of value, cause any  
 10          caller identification service to transmit misleading or inaccurate caller  
 11          identification information to a subscriber.
- 12          SECTION 18. IC 24-5-14.5-12, AS ADDED BY P.L.151-2013,  
 13          SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14          JULY 1, 2019]: Sec. 12. (a) Except as provided in subsection (b) **or in**  
 15          **IC 24-5-0.5**, a person who violates this chapter commits a deceptive  
 16          act that is:
- 17               (1) actionable by the attorney general under IC 24-5-0.5-4(c); and  
 18               (2) subject to the remedies and penalties set forth in IC 24-5-0.5.
- 19          An action by the attorney general for a violation of this chapter may be  
 20          brought in the circuit or superior court of Marion County.
- 21          (b) If the attorney general brings an action under this section and  
 22          proves by a preponderance of the evidence that a person has knowingly  
 23          or intentionally violated section 9 of this chapter, the attorney general  
 24          may recover from the person on behalf of the state a civil penalty of not  
 25          more than ten thousand dollars (\$10,000) per violation. A civil penalty  
 26          recovered under this subsection shall be deposited in the consumer  
 27          protection division telephone solicitation fund established by  
 28          IC 24-4.7-3-6 to be used for the administration and enforcement of this  
 29          chapter.
- 30          SECTION 19. [EFFECTIVE UPON PASSAGE] **(a) The legislative**  
 31          **council is urged to assign to the interim study committee on**  
 32          **corrections and criminal code the task of studying the following:**
- 33               **(1) Whether existing criminal penalties for violations of the**  
 34               **statutes concerning:**
- 35                   **(A) telephone solicitations (IC 24-5-12);**  
 36                   **(B) the regulation of automatic dialing-announcing devices**  
 37                   **(IC 24-5-14); and**  
 38                   **(C) misleading or inaccurate caller identification**  
 39                   **(IC 24-5-14.5);**  
 40               **should be increased.**
- 41               **(2) The potential effects of increasing criminal penalties for**  
 42               **violations of the statutes set forth in subdivision (1) on:**



1           **(A) the ability of the office of the attorney general to**  
2           **enforce compliance with the statutes; and**  
3           **(B) the state's criminal justice system.**  
4           **(b) This SECTION expires January 1, 2020.**  
5           **SECTION 20. An emergency is declared for this act.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred House Bill 1123, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 24-4.7-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. This article does not apply to any of the following:

- (1) A telephone call made in response to an express request of the person called.
- (2) A telephone call made primarily in connection with an existing debt or contract for which payment or performance has not been completed at the time of the call.
- (3) A telephone call made on behalf of a charitable organization that is exempt from federal income taxation under Section 501 of the Internal Revenue Code, but only if all of the following apply:
  - (A) The telephone call is made by a volunteer or an employee of the charitable organization.
  - (B) The telephone solicitor who makes the telephone call immediately discloses all of the following information upon making contact with the consumer:
    - (i) The solicitor's true first and last name.
    - (ii) The name, address, and telephone number of the charitable organization.
- (4) A telephone call made by an individual licensed under IC 25-34.1 if:
  - (A) the sale of goods or services is not completed; and
  - (B) the payment or authorization of payment is not required; until after a face to face sales presentation by the seller.
- (5) A telephone call made by an individual licensed under IC 27-1-15.6 or IC 27-1-15.8 when the individual is soliciting an application for insurance or negotiating a policy of insurance on behalf of an insurer (as defined in IC 27-1-2-3).
- (6) A telephone call soliciting the sale of a newspaper of general circulation, but only if the telephone call is made by a volunteer or an employee of the newspaper.
- (7) Any telephone call made to a consumer by a communications service provider (as defined in IC 8-1-32.5-4) that has an established business relationship (as defined in 47 CFR 64.1200) with the consumer.**

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- (8) Any telephone call made to a consumer by:**  
**(A) a financial institution organized or reorganized under the laws of any state or the United States; or**  
**(B) a person licensed by the department of financial institutions under IC 24-4.4, IC 24-4.5, or 750 IAC 9;**  
**that has an established business relationship (as defined in 47 CFR 64.1200) with the consumer.**

SECTION 2. IC 24-4.7-2-2, AS AMENDED BY P.L.226-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) ~~"Consumer"~~ **Except as provided in subsection (b), "consumer"** means a residential telephone subscriber who:

- (1) for the telephone service received:  
 (A) has a place of primary use in Indiana; or  
 (B) is issued an Indiana telephone number or an Indiana identification number; and  
 (2) is an actual or a prospective:  
 (A) purchaser, lessee, or recipient of consumer goods or services; or  
 (B) donor to a charitable organization.

(b) The term includes **the following:**

**(1) A user of a prepaid wireless calling service (as defined in IC 6-2.5-1-22.4) who:**

- ~~(1)~~ **(A) is issued an Indiana telephone number or an Indiana identification number for the service; or**  
~~(2)~~ **(B) purchases prepaid wireless calling service in a retail transaction that is sourced to Indiana (as determined under IC 6-2.5-12-16);**

**regardless of whether the prepaid wireless calling service is used for personal or business purposes.**

**(2) A mobile telecommunications service (as defined in IC 6-8.1-15-7) subscriber who is issued an Indiana telephone number or an Indiana identification number for the service, regardless of whether the service is used for personal or business purposes.**

SECTION 3. IC 24-4.7-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019] : Sec. 3. "Consumer goods or services" means any of the following:

- (1) Tangible or intangible personal property or real property that is normally used for personal, family, or household purposes.  
**(2) Other tangible or intangible personal property or real property, with respect to a consumer described in section 2(b)**



of this chapter who:

- (A) uses a prepaid wireless calling service; or
- (B) subscribes to a mobile telecommunications service (as defined in IC 6-8.1-15-7);

for business purposes.

(2) (3) Property intended to be attached to or installed on real property without regard to whether it is attached or installed.

(3) (4) Services related to property described in subdivision (1), or (2), or (3).

(4) (5) Credit cards or the extension of credit.

SECTION 4. IC 24-4.7-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 5.5. "Executive" means any of the following, as applicable:**

(1) With respect to a corporation, a person who is or performs the duties of the:

- (A) president;
- (B) chief executive officer;
- (C) treasurer; or
- (D) chief financial officer;

of the corporation.

(2) With respect to a partnership, a partner authorized to act on behalf of the partnership.

(3) With respect to a limited liability company, a member of the limited liability company who has not had the member's authority to act on behalf of the limited liability company revoked.

SECTION 5. IC 24-4.7-2-8, AS AMENDED BY P.L.226-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 8. "Telephone number" means a residential telephone number that:**

- (1) is assigned to a subscriber who has a place of primary use in Indiana, **in the case of a residential subscriber;** or
- (2) otherwise represents an Indiana telephone number or is associated with an Indiana identification number.

SECTION 6. IC 24-4.7-3-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 1.5. (a) The division shall allow any consumer, including a consumer described in IC 24-4.7-2-2(b) who:**

- (1) uses a prepaid wireless calling service; or
- (2) subscribes to a mobile telecommunications service (as



defined in IC 6-8.1-15-7);  
for business purposes, to be included in the quarterly listing of telephone numbers of persons that request not to be solicited by telephone.

(b) Before January 1, 2020, the division shall adopt any rules that the division determines to be necessary to implement this section. The division shall adopt any rules that the division determines to be necessary to implement this section in the manner provided under IC 4-22-2-37.1 for the adoption of emergency rules. Notwithstanding IC 4-22-2-37.1(g), an emergency rule adopted by the division under this subsection and in the manner provided by IC 4-22-2-37.1 expires on the date on which a rule that supersedes the emergency rule is adopted by the division under IC 4-22-2-24 through IC 4-22-2-36.

SECTION 7. IC 24-4.7-3-4, AS AMENDED BY P.L.226-2011, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. The division shall notify Indiana residents of the following:

(1) The rights and duties created by this article, including the right of any of the following consumers described in IC 24-4.7-2-2 to place a telephone number on the listing established and maintained under section 1 of this chapter.

(1) ~~Subscribers of interconnected VOIP service.~~

(2) ~~Subscribers of mobile telecommunications service (as defined in IC 6-8.1-15-7).~~

(3) ~~Users of a prepaid wireless calling service, as described in IC 24-4.7-2-2(b).~~

(2) The prohibition under 47 U.S.C. 227(b) against a person making any call using an:

(A) automatic telephone dialing system; or

(B) artificial or prerecorded voice;

to any telephone number assigned to a mobile telecommunications service (as defined in IC 6-8.1-15-7), or to another radio common carrier service.

(3) The prohibition under 47 U.S.C. 227(b) against a person initiating any telephone call to any residential telephone line using an artificial or prerecorded voice to deliver a message without the prior consent of the called party, subject to the exceptions set forth in 47 U.S.C. 227(b).

(4) The right of any of the consumers described in IC 24-4.7-2-2 to place a telephone number on the National Do Not Call Registry operated by the Federal Trade Commission.





SECTION 8. IC 24-4.7-3-6, AS AMENDED BY P.L.65-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) The consumer protection division telephone solicitation fund is established for the ~~purpose of following purposes:~~

(1) The administration of:

- ~~(1)~~ (A) this article;
- ~~(2)~~ (B) IC 24-5-0.5-3(b)(19); and
- (C) IC 24-5-12;
- (D) IC 24-5-14; and
- ~~(3)~~ (E) IC 24-5-14.5.

(2) **The reimbursement of county prosecutors for expenses incurred in extraditing violators of any statute set forth in subdivision (1).**

The fund shall be used exclusively for ~~this purpose:~~ **these purposes.**

(b) The division shall administer the fund.

(c) ~~The division shall deposit~~ **fund consists of** all revenue received:

- (1) under this article;
- (2) from civil penalties ~~deposited~~ **recovered** under IC 24-5-0.5-4(h); and
- (3) **from civil penalties recovered after June 30, 2019, under IC 24-5-12-23(b);**
- (4) **from civil penalties recovered after June 30, 2019, under IC 24-5-14-13(b); and**
- ~~(3)~~ (5) from civil penalties ~~deposited~~ **recovered** under IC 24-5-14.5-12.

~~in the fund:~~

(d) Money in the fund is continuously appropriated to the division for the ~~administration of:~~

- ~~(1)~~ this article;
- ~~(2)~~ IC 24-5-0.5-3(b)(19); and
- ~~(3)~~ IC 24-5-14.5: **purposes set forth in subsection (a).**

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund. However, if the amount of money in the fund at the end of a particular state fiscal year exceeds two hundred thousand dollars (\$200,000), the treasurer of state shall transfer the excess from the fund to the state general fund.

SECTION 9. IC 24-4.7-5-1, AS AMENDED BY P.L.153-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) A telephone solicitor, a supplier, or a caller who fails to comply with any provision of IC 24-4.7-4 commits a deceptive act that is actionable by the attorney general under this chapter.



(b) A person who directly or indirectly controls a person that fails to comply with any provision of IC 24-4.7-4 commits a separate deceptive act that is actionable by the attorney general under this chapter.

(c) If:

- (1) the person described in subsection (b) is an executive with respect to a telephone solicitor, a supplier, or a caller; and
- (2) the telephone solicitor, supplier, or caller fails to comply with any provision of IC 24-4.7-4;

the person described in subsection (b) commits a separate deceptive act that is actionable by the attorney general under this chapter.

(d) ~~In addition,~~ A contractor who contracts or seeks to contract with the state:

- (1) may be prohibited from contracting with the state; or
- (2) may have an existing contract with the state voided;

if the contractor, an affiliate or principal of the contractor, a person that directly or indirectly controls the contractor, any agent acting on behalf of the contractor or an affiliate or principal of the contractor, or a person that directly or indirectly controls the agent does not comply or has not complied with the terms of this article, even if this article is preempted by federal law."

Delete pages 2 through 3.

Page 4, delete lines 1 through 6, begin a new paragraph and insert:

"SECTION 10. IC 24-5-0.5-3, AS AMENDED BY P.L.170-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) A supplier may not commit an unfair, abusive, or deceptive act, omission, or practice in connection with a consumer transaction. Such an act, omission, or practice by a supplier is a violation of this chapter whether it occurs before, during, or after the transaction. An act, omission, or practice prohibited by this section includes both implicit and explicit misrepresentations.

(b) Without limiting the scope of subsection (a), the following acts, and the following representations as to the subject matter of a consumer transaction, made orally, in writing, or by electronic communication, by a supplier, are deceptive acts:

- (1) That such subject of a consumer transaction has sponsorship, approval, performance, characteristics, accessories, uses, or benefits it does not have which the supplier knows or should reasonably know it does not have.
- (2) That such subject of a consumer transaction is of a particular standard, quality, grade, style, or model, if it is not and if the



supplier knows or should reasonably know that it is not.

(3) That such subject of a consumer transaction is new or unused, if it is not and if the supplier knows or should reasonably know that it is not.

(4) That such subject of a consumer transaction will be supplied to the public in greater quantity than the supplier intends or reasonably expects.

(5) That replacement or repair constituting the subject of a consumer transaction is needed, if it is not and if the supplier knows or should reasonably know that it is not.

(6) That a specific price advantage exists as to such subject of a consumer transaction, if it does not and if the supplier knows or should reasonably know that it does not.

(7) That the supplier has a sponsorship, approval, or affiliation in such consumer transaction the supplier does not have, and which the supplier knows or should reasonably know that the supplier does not have.

(8) That such consumer transaction involves or does not involve a warranty, a disclaimer of warranties, or other rights, remedies, or obligations, if the representation is false and if the supplier knows or should reasonably know that the representation is false.

(9) That the consumer will receive a rebate, discount, or other benefit as an inducement for entering into a sale or lease in return for giving the supplier the names of prospective consumers or otherwise helping the supplier to enter into other consumer transactions, if earning the benefit, rebate, or discount is contingent upon the occurrence of an event subsequent to the time the consumer agrees to the purchase or lease.

(10) That the supplier is able to deliver or complete the subject of the consumer transaction within a stated period of time, when the supplier knows or should reasonably know the supplier could not. If no time period has been stated by the supplier, there is a presumption that the supplier has represented that the supplier will deliver or complete the subject of the consumer transaction within a reasonable time, according to the course of dealing or the usage of the trade.

(11) That the consumer will be able to purchase the subject of the consumer transaction as advertised by the supplier, if the supplier does not intend to sell it.

(12) That the replacement or repair constituting the subject of a consumer transaction can be made by the supplier for the estimate the supplier gives a customer for the replacement or repair, if the



specified work is completed and:

- (A) the cost exceeds the estimate by an amount equal to or greater than ten percent (10%) of the estimate;
- (B) the supplier did not obtain written permission from the customer to authorize the supplier to complete the work even if the cost would exceed the amounts specified in clause (A);
- (C) the total cost for services and parts for a single transaction is more than seven hundred fifty dollars (\$750); and
- (D) the supplier knew or reasonably should have known that the cost would exceed the estimate in the amounts specified in clause (A).

(13) That the replacement or repair constituting the subject of a consumer transaction is needed, and that the supplier disposes of the part repaired or replaced earlier than seventy-two (72) hours after both:

- (A) the customer has been notified that the work has been completed; and
- (B) the part repaired or replaced has been made available for examination upon the request of the customer.

(14) Engaging in the replacement or repair of the subject of a consumer transaction if the consumer has not authorized the replacement or repair, and if the supplier knows or should reasonably know that it is not authorized.

(15) The act of misrepresenting the geographic location of the supplier by listing an alternate business name or an assumed business name (as described in IC 23-0.5-3-4) in a local telephone directory if:

- (A) the name misrepresents the supplier's geographic location;
- (B) the listing fails to identify the locality and state of the supplier's business;
- (C) calls to the local telephone number are routinely forwarded or otherwise transferred to a supplier's business location that is outside the calling area covered by the local telephone directory; and
- (D) the supplier's business location is located in a county that is not contiguous to a county in the calling area covered by the local telephone directory.

(16) The act of listing an alternate business name or assumed business name (as described in IC 23-0.5-3-4) in a directory assistance data base if:

- (A) the name misrepresents the supplier's geographic location;
- (B) calls to the local telephone number are routinely forwarded



or otherwise transferred to a supplier's business location that is outside the local calling area; and

(C) the supplier's business location is located in a county that is not contiguous to a county in the local calling area.

(17) The violation by a supplier of IC 24-3-4 concerning cigarettes for import or export.

(18) The act of a supplier in knowingly selling or reselling a product to a consumer if the product has been recalled, whether by the order of a court or a regulatory body, or voluntarily by the manufacturer, distributor, or retailer, unless the product has been repaired or modified to correct the defect that was the subject of the recall.

(19) The violation by a supplier of 47 U.S.C. 227, including any rules or regulations issued under 47 U.S.C. 227.

(20) The violation by a supplier of the federal Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.), including any rules or regulations issued under the federal Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.).

(21) A violation of IC 24-5-7 (concerning health spa services), as set forth in IC 24-5-7-17.

(22) A violation of IC 24-5-8 (concerning business opportunity transactions), as set forth in IC 24-5-8-20.

(23) A violation of IC 24-5-10 (concerning home consumer transactions), as set forth in IC 24-5-10-18.

(24) A violation of IC 24-5-11 (concerning real property improvement contracts), as set forth in IC 24-5-11-14.

(25) A violation of IC 24-5-12 (concerning telephone solicitations), as set forth in IC 24-5-12-23.

(26) A violation of IC 24-5-13.5 (concerning buyback motor vehicles), as set forth in IC 24-5-13.5-14.

(27) A violation of IC 24-5-14 (concerning automatic dialing-announcing devices), as set forth in IC 24-5-14-13.

(28) A violation of IC 24-5-15 (concerning credit services organizations), as set forth in IC 24-5-15-11.

(29) A violation of IC 24-5-16 (concerning unlawful motor vehicle subleasing), as set forth in IC 24-5-16-18.

(30) A violation of IC 24-5-17 (concerning environmental marketing claims), as set forth in IC 24-5-17-14.

(31) A violation of IC 24-5-19 (concerning deceptive commercial solicitation), as set forth in IC 24-5-19-11.

(32) A violation of IC 24-5-21 (concerning prescription drug discount cards), as set forth in IC 24-5-21-7.



(33) A violation of IC 24-5-23.5-7 (concerning real estate appraisals), as set forth in IC 24-5-23.5-9.

(34) A violation of IC 24-5-26 (concerning identity theft), as set forth in IC 24-5-26-3.

(35) A violation of IC 24-5.5 (concerning mortgage rescue fraud), as set forth in IC 24-5.5-6-1.

(36) A violation of IC 24-8 (concerning promotional gifts and contests), as set forth in IC 24-8-6-3.

(37) A violation of IC 21-18.5-6 (concerning representations made by a postsecondary credit bearing proprietary educational institution), as set forth in IC 21-18.5-6-22.5.

**(38) A violation of IC 24-5-14.5 (concerning misleading or inaccurate caller identification information), as set forth in IC 24-5-14.5-12.**

(c) Any representations on or within a product or its packaging or in advertising or promotional materials which would constitute a deceptive act shall be the deceptive act both of the supplier who places such representation thereon or therein, or who authored such materials, and such other suppliers who shall state orally or in writing that such representation is true if such other supplier shall know or have reason to know that such representation was false.

(d) If a supplier shows by a preponderance of the evidence that an act resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adopted to avoid the error, such act shall not be deceptive within the meaning of this chapter.

(e) It shall be a defense to any action brought under this chapter that the representation constituting an alleged deceptive act was one made in good faith by the supplier without knowledge of its falsity and in reliance upon the oral or written representations of the manufacturer, the person from whom the supplier acquired the product, any testing organization, or any other person provided that the source thereof is disclosed to the consumer.

(f) For purposes of subsection (b)(12), a supplier that provides estimates before performing repair or replacement work for a customer shall give the customer a written estimate itemizing as closely as possible the price for labor and parts necessary for the specific job before commencing the work.

(g) For purposes of subsection (b)(15) and (b)(16), a telephone company or other provider of a telephone directory or directory assistance service or its officer or agent is immune from liability for publishing the listing of an alternate business name or assumed business name of a supplier in its directory or directory assistance data



base unless the telephone company or other provider of a telephone directory or directory assistance service is the same person as the supplier who has committed the deceptive act.

(h) For purposes of subsection (b)(18), it is an affirmative defense to any action brought under this chapter that the product has been altered by a person other than the defendant to render the product completely incapable of serving its original purpose.

SECTION 11. IC 24-5-0.5-4, AS AMENDED BY P.L.65-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. (a) A person relying upon an uncured or incurable deceptive act may bring an action for the damages actually suffered as a consumer as a result of the deceptive act or five hundred dollars (\$500), whichever is greater. The court may increase damages for a willful deceptive act in an amount that does not exceed the greater of:

- (1) three (3) times the actual damages of the consumer suffering the loss; or
- (2) one thousand dollars (\$1,000).

Except as provided in subsection (j), the court may award reasonable attorney fees to the party that prevails in an action under this subsection. This subsection does not apply to a consumer transaction in real property, including a claim or action involving a construction defect (as defined in IC 32-27-3-1(5)) brought against a construction professional (as defined in IC 32-27-3-1(4)), except for purchases of time shares and camping club memberships. This subsection does not apply with respect to a deceptive act described in section 3(b)(20) of this chapter. This subsection also does not apply to a violation of IC 24-4.7, IC 24-5-12, IC 24-5-14, or IC 24-5-14.5. Actual damages awarded to a person under this section have priority over any civil penalty imposed under this chapter.

(b) Any person who is entitled to bring an action under subsection (a) on the person's own behalf against a supplier for damages for a deceptive act may bring a class action against such supplier on behalf of any class of persons of which that person is a member and which has been damaged by such deceptive act, subject to and under the Indiana Rules of Trial Procedure governing class actions, except as herein expressly provided. Except as provided in subsection (j), the court may award reasonable attorney fees to the party that prevails in a class action under this subsection, provided that such fee shall be determined by the amount of time reasonably expended by the attorney and not by the amount of the judgment, although the contingency of the fee may be considered. Except in the case of an extension of time granted by the



attorney general under IC 24-10-2-2(b) in an action subject to IC 24-10, any money or other property recovered in a class action under this subsection which cannot, with due diligence, be restored to consumers within one (1) year after the judgment becomes final shall be returned to the party depositing the same. This subsection does not apply to a consumer transaction in real property, except for purchases of time shares and camping club memberships. This subsection does not apply with respect to a deceptive act described in section 3(b)(20) of this chapter. Actual damages awarded to a class have priority over any civil penalty imposed under this chapter.

(c) The attorney general may bring an action to enjoin a deceptive act, including a deceptive act described in section 3(b)(20) of this chapter, notwithstanding subsections (a) and (b). However, the attorney general may seek to enjoin patterns of incurable deceptive acts with respect to consumer transactions in real property. In addition, the court may:

- (1) issue an injunction;
- (2) order the supplier to make payment of the money unlawfully received from the aggrieved consumers to be held in escrow for distribution to aggrieved consumers;
- (3) for a knowing violation against a senior consumer, increase the amount of restitution ordered under subdivision (2) in any amount up to three (3) times the amount of damages incurred or value of property or assets lost;
- (4) order the supplier to pay to the state the reasonable costs of the attorney general's investigation and prosecution related to the action;
- (5) provide for the appointment of a receiver; and
- (6) order the department of state revenue to suspend the supplier's registered retail merchant certificate, subject to the requirements and prohibitions contained in IC 6-2.5-8-7(i), if the court finds that a violation of this chapter involved the sale or solicited sale of a synthetic drug (as defined in IC 35-31.5-2-321) or a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5).

(d) In an action under subsection (a), (b), or (c), the court may void or limit the application of contracts or clauses resulting from deceptive acts and order restitution to be paid to aggrieved consumers.

(e) In any action under subsection (a) or (b), upon the filing of the complaint or on the appearance of any defendant, claimant, or any other party, or at any later time, the trial court, the supreme court, or the court of appeals may require the plaintiff, defendant, claimant, or any other party or parties to give security, or additional security, in such





sum as the court shall direct to pay all costs, expenses, and disbursements that shall be awarded against that party or which that party may be directed to pay by any interlocutory order by the final judgment or on appeal.

(f) Any person who violates the terms of an injunction issued under subsection (c) shall forfeit and pay to the state a civil penalty of not more than fifteen thousand dollars (\$15,000) per violation. For the purposes of this section, the court issuing an injunction shall retain jurisdiction, the cause shall be continued, and the attorney general acting in the name of the state may petition for recovery of civil penalties. Whenever the court determines that an injunction issued under subsection (c) has been violated, the court shall award reasonable costs to the state.

(g) If a court finds any person has knowingly violated section 3 or 10 of this chapter, other than section 3(b)(19), ~~or 3(b)(20)~~, **or 3(b)(38)** of this chapter, the attorney general, in an action pursuant to subsection (c), may recover from the person on behalf of the state a civil penalty of a fine not exceeding five thousand dollars (\$5,000) per violation.

(h) If a court finds that a person has violated section 3(b)(19) of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty as follows:

- (1) For a knowing or intentional violation, one thousand five hundred dollars (\$1,500).
- (2) For a violation other than a knowing or intentional violation, five hundred dollars (\$500).

A civil penalty recovered under this subsection shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of section 3(b)(19) of this chapter.

(i) A senior consumer relying upon an uncured or incurable deceptive act, including an act related to hypnotism, may bring an action to recover treble damages, if appropriate.

(j) An offer to cure is:

- (1) not admissible as evidence in a proceeding initiated under this section unless the offer to cure is delivered by a supplier to the consumer or a representative of the consumer before the supplier files the supplier's initial response to a complaint; and
- (2) only admissible as evidence in a proceeding initiated under this section to prove that a supplier is not liable for attorney's fees under subsection (k).

If the offer to cure is timely delivered by the supplier, the supplier may submit the offer to cure as evidence to prove in the proceeding in



accordance with the Indiana Rules of Trial Procedure that the supplier made an offer to cure.

(k) A supplier may not be held liable for the attorney's fees and court costs of the consumer that are incurred following the timely delivery of an offer to cure as described in subsection (j) unless the actual damages awarded, not including attorney's fees and costs, exceed the value of the offer to cure.

(l) If a court finds that a person has knowingly violated section 3(b)(20) of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty not exceeding one thousand dollars (\$1,000) per consumer. In determining the amount of the civil penalty in any action by the attorney general under this subsection, the court shall consider, among other relevant factors, the frequency and persistence of noncompliance by the debt collector, the nature of the noncompliance, and the extent to which the noncompliance was intentional. A person may not be held liable in any action by the attorney general for a violation of section 3(b)(20) of this chapter if the person shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid the error. A person may not be held liable in any action for a violation of this chapter for contacting a person other than the debtor, if the contact is made in compliance with the Fair Debt Collection Practices Act.

**(m) If a court finds that a person has knowingly or intentionally violated section 3(b)(38) of this chapter, the attorney general, in an action under subsection (c), may recover from the person on behalf of the state a civil penalty in accordance with IC 24-5-14.5-12(b). As specified in IC 24-5-14.5-12(b), a civil penalty recovered under IC 24-5-14.5-12(b) shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of IC 24-5-14.5. In addition to the recovery of a civil penalty in accordance with IC 24-5-14.5-12(b), the attorney general may also recover reasonable attorney fees and court costs from the person on behalf of the state. Those funds shall also be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6."**

Page 4, delete lines 16 through 40, begin a new paragraph and insert:

"SECTION 13. IC 24-5-12-23, AS AMENDED BY P.L.222-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2019]: Sec. 23. **(a)** A seller who fails to comply with any provision of:

- (1) this chapter; or
- (2) IC 24-4.7;

commits a deceptive act that is actionable by the attorney general under IC 24-5-0.5-4(c) and is subject to the penalties set forth in IC 24-5-0.5. An action for a violation of IC 24-4.7 may be brought under IC 24-5-0.5-4(c) or IC 24-4.7-5. An action by the attorney general for a violation of this chapter or IC 24-4.7 may be brought in the circuit or superior court of Marion County.

**(b) A civil penalty recovered by the attorney general under:**

- (1) IC 24-5-0.5-4(g); or**
- (2) IC 24-5-0.5-8;**

**for a violation of this chapter shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of this chapter.**

SECTION 14. IC 24-5-14-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. **(a)** A caller who violates this chapter commits a deceptive act that is actionable by the attorney general under IC 24-5-0.5-4 and that is subject to:

- (1) the remedies and penalties under IC 24-5-0.5-4(c), IC 24-5-0.5-4(d), and IC 24-5-0.5-4(f); ~~IC 24-5-0.5-4(g), and IC 24-5-0.5-8; and~~**

**(2) a civil penalty of not more than the following:**

- (A) Ten thousand dollars (\$10,000) for the first violation.**
- (B) Twenty-five thousand dollars (\$25,000) for each violation after the first violation.**

**(b) A civil penalty recovered by the attorney general under subsection (a)(2) for a violation of this chapter shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of this chapter.**

SECTION 15. IC 24-5-14.5-1, AS ADDED BY P.L.151-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. **(a)** This chapter applies to the transmission of information through a caller identification service with respect to calls made after June 30, 2013, to a subscriber.

**(b) After June 30, 2019, this chapter applies to the transmission of information through a caller identification service only with respect to commercial telephone solicitations made to a subscriber.**

SECTION 16. IC 24-5-14.5-3.1 IS ADDED TO THE INDIANA



CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 3.1. (a) As used in this chapter, "commercial telephone solicitation" means any unsolicited call that is made to a subscriber and with respect to which:**

**(1) neither:**

**(A) the person initiating the call; nor**

**(B) the employer or person for whom the person initiating the call is acting as an employee, an agent, or a contractor; has had a prior business or personal relationship with the subscriber; and**

**(2) the purpose of the call is to solicit the purchase or the consideration of the purchase of goods or services by the subscriber.**

**(b) The term does not include calls:**

**(1) made in response to a call initiated by a subscriber; or**

**(2) initiated by:**

**(A) the state or a political subdivision (as defined by IC 36-1-2-13) for exclusively public purposes; or**

**(B) the United States or any of its subdivisions for exclusively public purposes (involving real property in Indiana).**

SECTION 17. IC 24-5-14.5-9, AS ADDED BY P.L.151-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. Except as provided in section 10 of this chapter, a person shall not, in connection with any telecommunications service or interconnected VOIP service **used in a commercial telephone solicitation**, knowingly and with the intent to defraud or cause harm to another person or to wrongfully obtain anything of value, cause any caller identification service to transmit misleading or inaccurate caller identification information to a subscriber.

SECTION 18. IC 24-5-14.5-12, AS ADDED BY P.L.151-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. (a) Except as provided in subsection (b) **or in IC 24-5-0.5**, a person who violates this chapter commits a deceptive act that is:

(1) actionable by the attorney general under IC 24-5-0.5-4(c); and

(2) subject to the remedies and penalties set forth in IC 24-5-0.5.

An action by the attorney general for a violation of this chapter may be brought in the circuit or superior court of Marion County.

(b) If the attorney general brings an action under this section and proves by a preponderance of the evidence that a person has knowingly or intentionally violated section 9 of this chapter, the attorney general



may recover from the person on behalf of the state a civil penalty of not more than ten thousand dollars (\$10,000) per violation. A civil penalty recovered under this subsection shall be deposited in the consumer protection division telephone solicitation fund established by IC 24-4.7-3-6 to be used for the administration and enforcement of this chapter.

**SECTION 19. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the interim study committee on corrections and criminal code the task of studying the following:**

**(1) Whether existing criminal penalties for violations of the statutes concerning:**

**(A) telephone solicitations (IC 24-5-12);**

**(B) the regulation of automatic dialing-announcing devices (IC 24-5-14); and**

**(C) misleading or inaccurate caller identification (IC 24-5-14.5);**

**should be increased.**

**(2) The potential effects of increasing criminal penalties for violations of the statutes set forth in subdivision (1) on:**

**(A) the ability of the office of the attorney general to enforce compliance with the statutes; and**

**(B) the state's criminal justice system.**

**(b) This SECTION expires January 1, 2020.**

**SECTION 20. An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1123 as introduced.)

SOLIDAY

Committee Vote: yeas 10, nays 1.

