



January 20, 2022

HOUSE BILL No. 1181

DIGEST OF HB 1181 (Updated January 19, 2022 3:50 pm - DI 131)

Citations Affected: IC 11-8; IC 11-14; IC 24-5.

Synopsis: Youth offender boot camps and inmate calling services. Provides that juvenile offenders may not be placed in department of correction boot camps beginning July 1, 2022. Provides, for purposes of juvenile offenders who are already participating in the boot camp program on July 1, 2022, that the boot camp program expires December 31, 2023. Provides that a rate for intrastate: (1) collect calling; (2) debit calling; (3) prepaid calling; or (4) prepaid collect calling; in connection with inmate calling services shall not exceed the rate cap for the comparable interstate service, as set by the Federal Communications Commission (FCC) and in effect at the time the call is initiated. Provides that this intrastate rate cap is subject to any distinctions in the comparable interstate rate cap set by the FCC that are based on: (1) the type or size of the correctional facility from which the inmate calling services call is placed; and (2) whether any site commission is sought to be recovered through the intrastate rate. Specifies that a provider that has been granted a waiver by the FCC from the interstate rate caps with respect to a particular: (1) correctional facility; or (2) contract for the provision of inmate calling services; is not subject to the intrastate rate caps for the comparable intrastate services provided to the same correctional facility or under the same contract. Prohibits a provider from charging an ancillary service charge for an intrastate inmate calling services call, other than those ancillary service charges permitted by the FCC for interstate or international inmate calling services calls at the time the call is initiated. Provides that a rate for a permitted ancillary service charge
(Continued next page)

Effective: July 1, 2022.

DeVon, McNamara, Jackson

January 6, 2022, read first time and referred to Committee on Courts and Criminal Code.
January 20, 2022, amended, reported — Do Pass.

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Digest Continued

for an intrastate inmate calling services call shall not exceed the rate for the comparable ancillary service charge permitted by the FCC for interstate or international inmate calling services calls at the time the call is initiated. Specifies that a provider that has been granted a waiver by the FCC from the ancillary service charge caps for interstate or international inmate calling services calls with respect to a particular: (1) correctional facility; or (2) contract for the provision of inmate calling services; is not subject to the intrastate caps for the comparable intrastate ancillary services provided to the same correctional facility or under the same contract. Prohibits a provider of inmate calling services from impeding the completion of, or otherwise degrading, intrastate collect calling based on the lack of a billing relationship with the called party's communications service provider. Prohibits a provider from charging any taxes or fees in connection with intrastate inmate calling services calls, except for: (1) authorized fees; and (2) mandatory taxes and fees. Provides that: (1) authorized fees; and (2) mandatory taxes and fees; may not include a markup, unless the markup is specifically authorized by a federal, state, or local statute, rule, or regulation. Prohibits a provider from: (1) imposing a per call or per connection charge for any intrastate inmate calling services call; or (2) offering flat rate calling for intrastate inmate calling services. Provides that after June 30, 2022, a provider shall not enter into or renew a contract for the provision of inmate calling services at a correctional facility in Indiana unless the terms of the contract comply with these provisions. Provides that any term, condition, or provision that: (1) is included in such a contract; and (2) violates these provisions; is void. Provides that a provider that violates these provisions: (1) commits a deceptive act that is actionable by the attorney general or by a consumer under the deceptive consumer sales act (act); and (2) is subject to the remedies and penalties under the act.

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January 20, 2022

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

HOUSE BILL No. 1181

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

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

- 1 SECTION 1. IC 11-8-3-1 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2022]: Sec. 1. (a) The department may contract
3 with any city, county, state, or federal authority, or with other public or
4 private organizations, for:
5 (1) the custody, care, confinement, or treatment of committed
6 persons; or
7 (2) **subject to subsection (e)**, the provision of other correctional
8 or related services to committed persons.
9 (b) Before transferring a committed person to the custody, care, or
10 control of an agency or organization under such a contract, the
11 department must approve the receiving facility or program as suitable
12 for the supervision and care of the person.
13 (c) The department may contract with individuals for the provision
14 of services to the department.
15 (d) To fund contracts under this section the department may use:
16 (1) its regular budgeted monies; and
17 (2) if applicable, monies deducted from the person's earnings

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1 under IC 11-10-7-5 or IC 11-10-8-6.

2 (e) After June 30, 2022, the department may not enter into or
3 renew a contract with a provider of inmate calling services for the
4 provision of inmate calling services at a correctional facility unless
5 the terms of the contract comply with IC 24-5-27. Any term,
6 condition, or provision that:

7 (1) is included in a contract that is entered into or renewed
8 after June 30, 2022, for the provision of inmate calling
9 services at a correctional facility; and

10 (2) violates IC 24-5-27;

11 is void.

12 (f) After June 30, 2022, a county owning or operating a
13 correctional facility may not enter into or renew a contract with a
14 provider of inmate calling services for the provision of inmate
15 calling services at the correctional facility unless the terms of the
16 contract comply with IC 24-5-27. Any term, condition, or provision
17 that:

18 (1) is included in a contract that is entered into or renewed
19 after June 30, 2022, for the provision of inmate calling
20 services at the correctional facility; and

21 (2) violates IC 24-5-27;

22 is void.

23 SECTION 2. IC 11-14-3-1 IS REPEALED [EFFECTIVE JULY 1,
24 2022]. Sec. 1: When sentencing a youthful offender, the sentencing
25 court may recommend to the department that the youthful offender be
26 placed in boot camp.

27 SECTION 3. IC 11-14-3-2 IS REPEALED [EFFECTIVE JULY 1,
28 2022]. Sec. 2: When a youthful offender is committed to the
29 department, the department shall determine whether the youthful
30 offender is eligible to participate in boot camp and whether the
31 youthful offender wishes to participate in boot camp. This
32 determination must be made when the youthful offender is evaluated
33 at the department's reception and diagnostic center.

34 SECTION 4. IC 11-14-3-3 IS REPEALED [EFFECTIVE JULY 1,
35 2022]. Sec. 3: If the department determines that a youthful offender is
36 eligible to participate in boot camp, space is available in boot camp,
37 and the youthful offender desires to participate, the department shall
38 place the youthful offender in boot camp.

39 SECTION 5. IC 11-14-3-6 IS REPEALED [EFFECTIVE JULY 1,
40 2022]. Sec. 6: If the department:

41 (1) receives a recommendation for boot camp placement under
42 section 1 of this chapter; and



1 (2) determines that the youthful offender is not eligible to
 2 participate in boot camp;
 3 the department shall notify the sentencing court of the determination
 4 of noneligibility.

5 SECTION 6. IC 11-14-5 IS ADDED TO THE INDIANA CODE AS
 6 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 7 1, 2022]:

8 **Chapter 5. Expiration**

9 **Sec. 1. This article expires December 31, 2023.**

10 SECTION 7. IC 24-5-0.5-3, AS AMENDED BY P.L.156-2020,
 11 SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2022]: Sec. 3. (a) A supplier may not commit an unfair,
 13 abusive, or deceptive act, omission, or practice in connection with a
 14 consumer transaction. Such an act, omission, or practice by a supplier
 15 is a violation of this chapter whether it occurs before, during, or after
 16 the transaction. An act, omission, or practice prohibited by this section
 17 includes both implicit and explicit misrepresentations.

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

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

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

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

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

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

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

41 (7) That the supplier has a sponsorship, approval, or affiliation in
 42 such consumer transaction the supplier does not have, and which



- 1 the supplier knows or should reasonably know that the supplier
2 does not have.
- 3 (8) That such consumer transaction involves or does not involve
4 a warranty, a disclaimer of warranties, or other rights, remedies,
5 or obligations, if the representation is false and if the supplier
6 knows or should reasonably know that the representation is false.
- 7 (9) That the consumer will receive a rebate, discount, or other
8 benefit as an inducement for entering into a sale or lease in return
9 for giving the supplier the names of prospective consumers or
10 otherwise helping the supplier to enter into other consumer
11 transactions, if earning the benefit, rebate, or discount is
12 contingent upon the occurrence of an event subsequent to the time
13 the consumer agrees to the purchase or lease.
- 14 (10) That the supplier is able to deliver or complete the subject of
15 the consumer transaction within a stated period of time, when the
16 supplier knows or should reasonably know the supplier could not.
17 If no time period has been stated by the supplier, there is a
18 presumption that the supplier has represented that the supplier
19 will deliver or complete the subject of the consumer transaction
20 within a reasonable time, according to the course of dealing or the
21 usage of the trade.
- 22 (11) That the consumer will be able to purchase the subject of the
23 consumer transaction as advertised by the supplier, if the supplier
24 does not intend to sell it.
- 25 (12) That the replacement or repair constituting the subject of a
26 consumer transaction can be made by the supplier for the estimate
27 the supplier gives a customer for the replacement or repair, if the
28 specified work is completed and:
- 29 (A) the cost exceeds the estimate by an amount equal to or
30 greater than ten percent (10%) of the estimate;
- 31 (B) the supplier did not obtain written permission from the
32 customer to authorize the supplier to complete the work even
33 if the cost would exceed the amounts specified in clause (A);
- 34 (C) the total cost for services and parts for a single transaction
35 is more than seven hundred fifty dollars (\$750); and
- 36 (D) the supplier knew or reasonably should have known that
37 the cost would exceed the estimate in the amounts specified in
38 clause (A).
- 39 (13) That the replacement or repair constituting the subject of a
40 consumer transaction is needed, and that the supplier disposes of
41 the part repaired or replaced earlier than seventy-two (72) hours
42 after both:



- 1 (A) the customer has been notified that the work has been
 2 completed; and
 3 (B) the part repaired or replaced has been made available for
 4 examination upon the request of the customer.
- 5 (14) Engaging in the replacement or repair of the subject of a
 6 consumer transaction if the consumer has not authorized the
 7 replacement or repair, and if the supplier knows or should
 8 reasonably know that it is not authorized.
- 9 (15) The act of misrepresenting the geographic location of the
 10 supplier by listing an alternate business name or an assumed
 11 business name (as described in IC 23-0.5-3-4) in a local telephone
 12 directory if:
 13 (A) the name misrepresents the supplier's geographic location;
 14 (B) the listing fails to identify the locality and state of the
 15 supplier's business;
 16 (C) calls to the local telephone number are routinely forwarded
 17 or otherwise transferred to a supplier's business location that
 18 is outside the calling area covered by the local telephone
 19 directory; and
 20 (D) the supplier's business location is located in a county that
 21 is not contiguous to a county in the calling area covered by the
 22 local telephone directory.
- 23 (16) The act of listing an alternate business name or assumed
 24 business name (as described in IC 23-0.5-3-4) in a directory
 25 assistance data base if:
 26 (A) the name misrepresents the supplier's geographic location;
 27 (B) calls to the local telephone number are routinely forwarded
 28 or otherwise transferred to a supplier's business location that
 29 is outside the local calling area; and
 30 (C) the supplier's business location is located in a county that
 31 is not contiguous to a county in the local calling area.
- 32 (17) The violation by a supplier of IC 24-3-4 concerning
 33 cigarettes for import or export.
- 34 (18) The act of a supplier in knowingly selling or reselling a
 35 product to a consumer if the product has been recalled, whether
 36 by the order of a court or a regulatory body, or voluntarily by the
 37 manufacturer, distributor, or retailer, unless the product has been
 38 repaired or modified to correct the defect that was the subject of
 39 the recall.
- 40 (19) The violation by a supplier of 47 U.S.C. 227, including any
 41 rules or regulations issued under 47 U.S.C. 227.
- 42 (20) The violation by a supplier of the federal Fair Debt



- 1 Collection Practices Act (15 U.S.C. 1692 et seq.), including any
2 rules or regulations issued under the federal Fair Debt Collection
3 Practices Act (15 U.S.C. 1692 et seq.).
4 (21) A violation of IC 24-5-7 (concerning health spa services), as
5 set forth in IC 24-5-7-17.
6 (22) A violation of IC 24-5-8 (concerning business opportunity
7 transactions), as set forth in IC 24-5-8-20.
8 (23) A violation of IC 24-5-10 (concerning home consumer
9 transactions), as set forth in IC 24-5-10-18.
10 (24) A violation of IC 24-5-11 (concerning real property
11 improvement contracts), as set forth in IC 24-5-11-14.
12 (25) A violation of IC 24-5-12 (concerning telephone
13 solicitations), as set forth in IC 24-5-12-23.
14 (26) A violation of IC 24-5-13.5 (concerning buyback motor
15 vehicles), as set forth in IC 24-5-13.5-14.
16 (27) A violation of IC 24-5-14 (concerning automatic
17 dialing-announcing devices), as set forth in IC 24-5-14-13.
18 (28) A violation of IC 24-5-15 (concerning credit services
19 organizations), as set forth in IC 24-5-15-11.
20 (29) A violation of IC 24-5-16 (concerning unlawful motor
21 vehicle subleasing), as set forth in IC 24-5-16-18.
22 (30) A violation of IC 24-5-17 (concerning environmental
23 marketing claims), as set forth in IC 24-5-17-14.
24 (31) A violation of IC 24-5-19 (concerning deceptive commercial
25 solicitation), as set forth in IC 24-5-19-11.
26 (32) A violation of IC 24-5-21 (concerning prescription drug
27 discount cards), as set forth in IC 24-5-21-7.
28 (33) A violation of IC 24-5-23.5-7 (concerning real estate
29 appraisals), as set forth in IC 24-5-23.5-9.
30 (34) A violation of IC 24-5-26 (concerning identity theft), as set
31 forth in IC 24-5-26-3.
32 (35) A violation of IC 24-5-5 (concerning mortgage rescue fraud),
33 as set forth in IC 24-5-5-6-1.
34 (36) A violation of IC 24-8 (concerning promotional gifts and
35 contests), as set forth in IC 24-8-6-3.
36 (37) A violation of IC 21-18.5-6 (concerning representations
37 made by a postsecondary credit bearing proprietary educational
38 institution), as set forth in IC 21-18.5-6-22.5.
39 (38) A violation of IC 24-5-15.5 (concerning collection actions of
40 a plaintiff debt buyer), as set forth in IC 24-5-15.5-6.
41 (39) A violation of IC 24-14 (concerning towing services), as set
42 forth in IC 24-14-10-1.



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

4 **(41) A violation of IC 24-5-27 (concerning intrastate inmate**
 5 **calling services), as set forth in IC 24-5-27-27.**

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

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

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

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

29 (g) For purposes of subsection (b)(15) and (b)(16), a telephone
 30 company or other provider of a telephone directory or directory
 31 assistance service or its officer or agent is immune from liability for
 32 publishing the listing of an alternate business name or assumed
 33 business name of a supplier in its directory or directory assistance data
 34 base unless the telephone company or other provider of a telephone
 35 directory or directory assistance service is the same person as the
 36 supplier who has committed the deceptive act.

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

41 SECTION 8. IC 24-5-27 IS ADDED TO THE INDIANA CODE AS
 42 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY

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1, 2022]:

Chapter 27. Intrastate Inmate Calling Services

Sec. 1. (a) Except as provided in subsections (b) and (c), sections 19 through 25 of this chapter apply to the following:

(1) An inmate calling services call that is initiated after June 30, 2022.

(2) A contract described in section 26 of this chapter that is entered into or renewed after June 30, 2022, for the provision of inmate calling services at a correctional facility.

(b) Sections 19 through 25 of this chapter do not apply to an inmate calling services call that is:

(1) initiated after June 30, 2022; and

(2) made in connection with a contract described in section 26 of this chapter that is:

(A) entered into or renewed before July 1, 2022; and

(B) in effect at the time the inmate calling services call is initiated.

(c) Sections 19 through 25 of this chapter do not apply with respect to a contract described in section 26 of this chapter that is:

(1) entered into or renewed before July 1, 2022; and

(2) for the provision of inmate calling services at a correctional facility.

The exemption from sections 19 through 25 of this chapter provided by this subsection terminates when the contract or the renewal of the contract either expires by its terms or is terminated by any party to the contract.

Sec. 2. As used in this chapter, "ancillary service charge" means any charge that:

(1) consumers may be assessed for, or in connection with, the intrastate use of inmate calling services (including any intrastate inmate calling services call that includes jurisdictionally mixed charges); and

(2) is not included in the per minute charges assessed for individual calls.

Sec. 3. As used in this chapter, "authorized fee" means a government authorized, but discretionary, fee:

(1) that a provider must remit to a federal, state, or local government; and

(2) with respect to which a provider is permitted, but not required, to pass through to consumers;

for, or in connection with, intrastate inmate calling services.

Sec. 4. As used in this chapter, "collect calling" means an



1 arrangement in which the called party takes affirmative action
 2 clearly indicating that the party will pay the charges associated
 3 with a call originating from an inmate telephone.

4 Sec. 5. (a) As used in this chapter, "consumer" means an
 5 individual who pays, or is responsible for paying, a provider for
 6 intrastate inmate calling services.

7 (b) The term includes an inmate who pays, or is responsible for
 8 paying, a provider for intrastate inmate calling services.

9 Sec. 6. As used in this chapter, "correctional facility" means:

10 (1) a state penal institution;

11 (2) a county jail; or

12 (3) a secure juvenile facility;

13 in Indiana.

14 Sec. 7. As used in this chapter, "debit calling" means a
 15 presubscription or comparable service that allows an inmate, or
 16 someone acting on an inmate's behalf, to fund an account that:

17 (1) is set up through a provider; and

18 (2) can be used to pay for inmate calling services calls
 19 originated by the inmate.

20 Sec. 8. As used in this chapter, "flat rate calling" means a
 21 calling plan under which a provider charges a single fee for an
 22 inmate calling services call, regardless of the duration of the call.

23 Sec. 9. As used in this chapter, "inmate" means an individual
 24 detained at a correctional facility, regardless of the duration of the
 25 detention.

26 Sec. 10. As used in this chapter, "inmate calling service" means
 27 a service that allows inmates to make calls to individuals outside
 28 the correctional facility where the inmate is being held, regardless
 29 of the technology used to deliver the service.

30 Sec. 11. As used in this chapter, "inmate telephone" means a
 31 telephone instrument, or other device capable of initiating calls, set
 32 aside by authorities of a correctional facility for use by inmates.

33 Sec. 12. As used in this chapter, "intrastate call" means a call
 34 that originates and terminates in Indiana.

35 Sec. 13. As used in this chapter, "jurisdictionally mixed charge"
 36 means any charge that:

37 (1) consumers may be assessed for use of inmate calling
 38 services;

39 (2) is not included in the per minute charges assessed for
 40 individual calls; and

41 (3) is assessed for, or in connection with, the use of inmate
 42 calling services to make calls that have:



- 1 (A) interstate or international components; and
- 2 (B) intrastate components;
- 3 that are not able to be segregated at the time the charge is
- 4 incurred.
- 5 Sec. 14. As used in this chapter, "mandatory tax or fee" means
- 6 a tax or fee that a provider is required to:
- 7 (1) collect directly from consumers; and
- 8 (2) remit to federal, state, or local governments;
- 9 for, or in connection with, intrastate inmate calling services.
- 10 Sec. 15. As used in this chapter, "per call or per connection
- 11 charge" means a one (1) time fee charged to a consumer at call
- 12 initiation.
- 13 Sec. 16. As used in this chapter, "prepaid calling" means a
- 14 presubscription or comparable service in which:
- 15 (1) a consumer, other than an inmate, funds an account set up
- 16 through a provider; and
- 17 (2) funds from the account can then be used to pay for inmate
- 18 calling services, including calls that originate with an inmate.
- 19 Sec. 17. As used in this chapter, "prepaid collect calling" means
- 20 a calling arrangement that:
- 21 (1) allows an inmate to initiate an inmate calling services call
- 22 without having a preestablished billing arrangement; and
- 23 (2) provides a means, within that call, for the called party to
- 24 establish an arrangement with a provider for the party to be
- 25 billed directly by the provider for future calls from the same
- 26 inmate.
- 27 Sec. 18. As used in this chapter, "provider of inmate calling
- 28 services", or "provider", means any communications service
- 29 provider that provides inmate calling services, regardless of the
- 30 technology used to provide the services.
- 31 Sec. 19. (a) As used in this section, "site commission" means any
- 32 form of monetary payment, in kind payment, gift, exchange of
- 33 services or goods, fee, technology allowance, or product that a
- 34 provider of inmate calling services pays, gives, donates, or
- 35 otherwise provides to:
- 36 (1) an entity that operates a correctional facility;
- 37 (2) an entity with which the provider of inmate calling
- 38 services enters into an agreement to provide inmate calling
- 39 services;
- 40 (3) a governmental agency that oversees a correctional
- 41 facility;
- 42 (4) the city, county, or state in which a correctional facility is



- 1 **located; or**
 2 **(5) an agent of a correctional facility.**
 3 **(b) Subject to subsections (c) and (d), the rate for intrastate:**
 4 **(1) collect calling;**
 5 **(2) debit calling;**
 6 **(3) prepaid calling; or**
 7 **(4) prepaid collect calling;**
 8 **in connection with inmate calling services may not exceed the rate**
 9 **cap for the comparable interstate service in connection with inmate**
 10 **calling services, as set by the Federal Communications Commission**
 11 **and in effect at the time the call is initiated, including any interim**
 12 **rate cap that is set by the Federal Communications Commission**
 13 **and in effect at the time the call is initiated.**
 14 **(c) An intrastate rate cap under subsection (b) is subject to any**
 15 **distinctions in the comparable interstate rate cap set by the Federal**
 16 **Communications Commission that are based on:**
 17 **(1) the type or size of the correctional facility from which the**
 18 **inmate calling services call is placed, including:**
 19 **(A) whether the correctional facility is a jail or a prison, as**
 20 **those terms may be defined by the Federal**
 21 **Communications Commission at the time the call is**
 22 **initiated; and**
 23 **(B) the average daily population of the correctional**
 24 **facility, as that term may be defined by the Federal**
 25 **Communications Commission at the time the call is**
 26 **initiated; and**
 27 **(2) whether any site commission is sought to be recovered**
 28 **through the intrastate rate for a service, including any**
 29 **distinctions in the facility-related rate component, as that**
 30 **term may be defined by the Federal Communications**
 31 **Commission at the time the call is initiated, that are based on**
 32 **whether the site commission is legally mandated or**
 33 **contractually prescribed.**
 34 **(d) A provider that has been granted a waiver by the Federal**
 35 **Communications Commission from the interstate rate caps for the**
 36 **inmate calling services described in subsection (b) with respect to**
 37 **a particular:**
 38 **(1) correctional facility; or**
 39 **(2) contract for the provision of inmate calling services;**
 40 **is not subject to the intrastate rate caps under subsection (b) for**
 41 **the comparable intrastate services provided to the same**
 42 **correctional facility or under the same contract. The exemption**



1 from the intrastate rate caps provided under this subsection runs
 2 concurrently with the term of the exemption from the
 3 corresponding interstate rate caps, as determined by the Federal
 4 Communications Commission.

5 Sec. 20. (a) The following definitions apply throughout this
 6 section:

7 (1) "Automated payment fee" means:

- 8 (A) a credit card payment fee;
- 9 (B) a debit card payment fee; or
- 10 (C) a bill processing fee.

11 The term includes fees for payments made by interactive voice
 12 response, the Internet, or kiosk.

13 (2) "Fee for single call and related services" means a billing
 14 arrangement in which:

- 15 (A) an inmate's collect calls are billed through a third
 16 party on a per call basis; and
- 17 (B) the called party:
 - 18 (i) does not have an account with the provider of inmate
 19 calling services; or
 - 20 (ii) does not want to establish an account with the
 21 provider of inmate calling services.

22 (3) "Live agent fee" means a fee associated with the optional
 23 use of a live operator to complete inmate calling services
 24 transactions.

25 (4) "Paper bill or statement fee" means a fee associated with
 26 providing a customer of inmate calling services an optional
 27 paper billing statement.

28 (5) "Third party financial transaction fee" means the exact
 29 fee, with no markup, that a provider of inmate calling services
 30 is charged by a third party to transfer money or process
 31 financial transactions to facilitate a consumer's ability to
 32 make account payments through the third party.

33 (b) A provider may not charge an ancillary service charge for,
 34 or in connection with, an intrastate inmate calling services call,
 35 other than those ancillary service charges permitted by the Federal
 36 Communications Commission for, or in connection with, interstate
 37 or international inmate calling services calls at the time the call is
 38 initiated.

39 (c) Subject to subsection (d), a rate for an ancillary service
 40 charge permitted under subsection (b) for, or in connection with,
 41 an intrastate inmate calling services call shall not exceed the rate
 42 for the comparable ancillary service charge permitted by the



1 Federal Communications Commission for, or in connection with,
 2 interstate or international inmate calling services calls at the time
 3 the call is initiated. Subject to subsection (b), ancillary service
 4 charges subject to the rate cap set forth in this subsection include
 5 the following:

- 6 (1) Automated payment fees.
- 7 (2) Fees for single call and related services.
- 8 (3) Live agent fees.
- 9 (4) Paper bill or statement fees.
- 10 (5) Third party financial transaction fees.

11 (d) A provider that has been granted a waiver by the Federal
 12 Communications Commission from the ancillary service charge
 13 caps for interstate or international inmate calling services calls
 14 with respect to a particular:

15 (1) correctional facility; or

16 (2) contract for the provision of inmate calling services;

17 is not subject to the intrastate caps under subsection (c) for the
 18 comparable intrastate ancillary services provided to the same
 19 correctional facility or under the same contract. The exemption
 20 from the intrastate ancillary service charge caps provided under
 21 this subsection runs concurrently with the term of the exemption
 22 from the corresponding interstate or international ancillary service
 23 charge caps, as determined by the Federal Communications
 24 Commission.

25 Sec. 21. (a) Except as provided in subsection (b), a provider shall
 26 not:

27 (1) prohibit or prevent completion of an intrastate collect
 28 calling call made in connection with an inmate calling service;
 29 or

30 (2) decline to establish or otherwise degrade intrastate collect
 31 calling made in connection with inmate calling services;

32 solely for the reason that the provider lacks a billing relationship
 33 with the called party's communications service provider.

34 (b) The prohibitions set forth in subsection (a) do not apply if a
 35 provider offers debit calling, prepaid calling, or prepaid collect
 36 calling for intrastate inmate calling services calls.

37 Sec. 22. (a) A provider may not charge any taxes or fees to users
 38 of inmate calling services for, or in connection with, intrastate
 39 calls, except for the following:

40 (1) Authorized fees.

41 (2) Mandatory taxes and fees.

42 (b) Any:



- 1 (1) authorized fee; or
 2 (2) mandatory tax or fee;
 3 passed through to consumers for, or in connection with, intrastate
 4 inmate calling services may not include a markup, unless the
 5 markup is specifically authorized by a federal, state, or local
 6 statute, rule, or regulation.
- 7 **Sec. 23.** A provider may not impose a per call or per connection
 8 charge on a consumer for any intrastate inmate calling services
 9 call.
- 10 **Sec. 24.** A provider may not offer flat rate calling for intrastate
 11 inmate calling services.
- 12 **Sec. 25. (a)** A provider may not institute a minimum balance
 13 requirement for a consumer to use:
 14 (1) debit calling; or
 15 (2) prepaid calling;
 16 for intrastate inmate calling services calls.
- 17 **(b)** A provider may not prohibit a consumer from depositing at
 18 least fifty dollars (\$50) per transaction to fund a:
 19 (1) debit calling; or
 20 (2) prepaid calling;
 21 account that can be used for intrastate inmate calling services calls.
- 22 **Sec. 26. (a)** After June 30, 2022, a provider shall not enter into
 23 or renew a contract with:
 24 (1) the department of correction; or
 25 (2) any:
 26 (A) county;
 27 (B) city; or
 28 (C) public or private agency or organization;
 29 that operates a correctional facility in Indiana;
 30 for the provision of inmate calling services at a correctional facility
 31 unless the terms of the contract comply with this chapter.
- 32 **(b)** Any term, condition, or provision that:
 33 (1) is included in a contract that is entered into or renewed
 34 after June 30, 2022, for the provision of inmate calling
 35 services at a correctional facility; and
 36 (2) violates this chapter;
 37 is void.
- 38 **Sec. 27.** A provider that violates this chapter:
 39 (1) commits a deceptive act that is actionable by the attorney
 40 general or by a consumer under IC 24-5-0.5-4; and
 41 (2) is subject to the remedies and penalties under IC 24-5-0.5.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1181, 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, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 11-8-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 1. (a) The department may contract with any city, county, state, or federal authority, or with other public or private organizations, for:

(1) the custody, care, confinement, or treatment of committed persons; or

(2) **subject to subsection (e)**, the provision of other correctional or related services to committed persons.

(b) Before transferring a committed person to the custody, care, or control of an agency or organization under such a contract, the department must approve the receiving facility or program as suitable for the supervision and care of the person.

(c) The department may contract with individuals for the provision of services to the department.

(d) To fund contracts under this section the department may use:

(1) its regular budgeted monies; and

(2) if applicable, monies deducted from the person's earnings under IC 11-10-7-5 or IC 11-10-8-6.

(e) After June 30, 2022, the department may not enter into or renew a contract with a provider of inmate calling services for the provision of inmate calling services at a correctional facility unless the terms of the contract comply with IC 24-5-27. Any term, condition, or provision that:

(1) is included in a contract that is entered into or renewed after June 30, 2022, for the provision of inmate calling services at a correctional facility; and

(2) violates IC 24-5-27;

is void.

(f) After June 30, 2022, a county owning or operating a correctional facility may not enter into or renew a contract with a provider of inmate calling services for the provision of inmate calling services at the correctional facility unless the terms of the contract comply with IC 24-5-27. Any term, condition, or provision that:

(1) is included in a contract that is entered into or renewed

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**after June 30, 2022, for the provision of inmate calling services at the correctional facility; and
(2) violates IC 24-5-27;
is void."**

Page 2, after line 12, begin a new paragraph and insert:

"SECTION 7. IC 24-5-0.5-3, AS AMENDED BY P.L.156-2020, SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: 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 24-5-15.5 (concerning collection actions of a plaintiff debt buyer), as set forth in IC 24-5-15.5-6.

(39) A violation of IC 24-14 (concerning towing services), as set forth in IC 24-14-10-1.

(40) 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.

(41) A violation of IC 24-5-27 (concerning intrastate inmate



calling services), as set forth in IC 24-5-27-27.

(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 8. IC 24-5-27 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:

Chapter 27. Intrastate Inmate Calling Services

Sec. 1. (a) Except as provided in subsections (b) and (c), sections 19 through 25 of this chapter apply to the following:

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(1) An inmate calling services call that is initiated after June 30, 2022.

(2) A contract described in section 26 of this chapter that is entered into or renewed after June 30, 2022, for the provision of inmate calling services at a correctional facility.

(b) Sections 19 through 25 of this chapter do not apply to an inmate calling services call that is:

(1) initiated after June 30, 2022; and

(2) made in connection with a contract described in section 26 of this chapter that is:

(A) entered into or renewed before July 1, 2022; and

(B) in effect at the time the inmate calling services call is initiated.

(c) Sections 19 through 25 of this chapter do not apply with respect to a contract described in section 26 of this chapter that is:

(1) entered into or renewed before July 1, 2022; and

(2) for the provision of inmate calling services at a correctional facility.

The exemption from sections 19 through 25 of this chapter provided by this subsection terminates when the contract or the renewal of the contract either expires by its terms or is terminated by any party to the contract.

Sec. 2. As used in this chapter, "ancillary service charge" means any charge that:

(1) consumers may be assessed for, or in connection with, the intrastate use of inmate calling services (including any intrastate inmate calling services call that includes jurisdictionally mixed charges); and

(2) is not included in the per minute charges assessed for individual calls.

Sec. 3. As used in this chapter, "authorized fee" means a government authorized, but discretionary, fee:

(1) that a provider must remit to a federal, state, or local government; and

(2) with respect to which a provider is permitted, but not required, to pass through to consumers;

for, or in connection with, intrastate inmate calling services.

Sec. 4. As used in this chapter, "collect calling" means an arrangement in which the called party takes affirmative action clearly indicating that the party will pay the charges associated with a call originating from an inmate telephone.

Sec. 5. (a) As used in this chapter, "consumer" means an



individual who pays, or is responsible for paying, a provider for intrastate inmate calling services.

(b) The term includes an inmate who pays, or is responsible for paying, a provider for intrastate inmate calling services.

Sec. 6. As used in this chapter, "correctional facility" means:

- (1) a state penal institution;
- (2) a county jail; or
- (3) a secure juvenile facility;

in Indiana.

Sec. 7. As used in this chapter, "debit calling" means a presubscription or comparable service that allows an inmate, or someone acting on an inmate's behalf, to fund an account that:

- (1) is set up through a provider; and
- (2) can be used to pay for inmate calling services calls originated by the inmate.

Sec. 8. As used in this chapter, "flat rate calling" means a calling plan under which a provider charges a single fee for an inmate calling services call, regardless of the duration of the call.

Sec. 9. As used in this chapter, "inmate" means an individual detained at a correctional facility, regardless of the duration of the detention.

Sec. 10. As used in this chapter, "inmate calling service" means a service that allows inmates to make calls to individuals outside the correctional facility where the inmate is being held, regardless of the technology used to deliver the service.

Sec. 11. As used in this chapter, "inmate telephone" means a telephone instrument, or other device capable of initiating calls, set aside by authorities of a correctional facility for use by inmates.

Sec. 12. As used in this chapter, "intrastate call" means a call that originates and terminates in Indiana.

Sec. 13. As used in this chapter, "jurisdictionally mixed charge" means any charge that:

- (1) consumers may be assessed for use of inmate calling services;
- (2) is not included in the per minute charges assessed for individual calls; and
- (3) is assessed for, or in connection with, the use of inmate calling services to make calls that have:
 - (A) interstate or international components; and
 - (B) intrastate components;

that are not able to be segregated at the time the charge is incurred.



Sec. 14. As used in this chapter, "mandatory tax or fee" means a tax or fee that a provider is required to:

- (1) collect directly from consumers; and
- (2) remit to federal, state, or local governments;

for, or in connection with, intrastate inmate calling services.

Sec. 15. As used in this chapter, "per call or per connection charge" means a one (1) time fee charged to a consumer at call initiation.

Sec. 16. As used in this chapter, "prepaid calling" means a presubscription or comparable service in which:

- (1) a consumer, other than an inmate, funds an account set up through a provider; and
- (2) funds from the account can then be used to pay for inmate calling services, including calls that originate with an inmate.

Sec. 17. As used in this chapter, "prepaid collect calling" means a calling arrangement that:

- (1) allows an inmate to initiate an inmate calling services call without having a preestablished billing arrangement; and
- (2) provides a means, within that call, for the called party to establish an arrangement with a provider for the party to be billed directly by the provider for future calls from the same inmate.

Sec. 18. As used in this chapter, "provider of inmate calling services", or "provider", means any communications service provider that provides inmate calling services, regardless of the technology used to provide the services.

Sec. 19. (a) As used in this section, "site commission" means any form of monetary payment, in kind payment, gift, exchange of services or goods, fee, technology allowance, or product that a provider of inmate calling services pays, gives, donates, or otherwise provides to:

- (1) an entity that operates a correctional facility;
- (2) an entity with which the provider of inmate calling services enters into an agreement to provide inmate calling services;
- (3) a governmental agency that oversees a correctional facility;
- (4) the city, county, or state in which a correctional facility is located; or
- (5) an agent of a correctional facility.

(b) Subject to subsections (c) and (d), the rate for intrastate:

- (1) collect calling;



- (2) debit calling;
- (3) prepaid calling; or
- (4) prepaid collect calling;

in connection with inmate calling services may not exceed the rate cap for the comparable interstate service in connection with inmate calling services, as set by the Federal Communications Commission and in effect at the time the call is initiated, including any interim rate cap that is set by the Federal Communications Commission and in effect at the time the call is initiated.

(c) An intrastate rate cap under subsection (b) is subject to any distinctions in the comparable interstate rate cap set by the Federal Communications Commission that are based on:

(1) the type or size of the correctional facility from which the inmate calling services call is placed, including:

(A) whether the correctional facility is a jail or a prison, as those terms may be defined by the Federal Communications Commission at the time the call is initiated; and

(B) the average daily population of the correctional facility, as that term may be defined by the Federal Communications Commission at the time the call is initiated; and

(2) whether any site commission is sought to be recovered through the intrastate rate for a service, including any distinctions in the facility-related rate component, as that term may be defined by the Federal Communications Commission at the time the call is initiated, that are based on whether the site commission is legally mandated or contractually prescribed.

(d) A provider that has been granted a waiver by the Federal Communications Commission from the interstate rate caps for the inmate calling services described in subsection (b) with respect to a particular:

- (1) correctional facility; or
- (2) contract for the provision of inmate calling services;

is not subject to the intrastate rate caps under subsection (b) for the comparable intrastate services provided to the same correctional facility or under the same contract. The exemption from the intrastate rate caps provided under this subsection runs concurrently with the term of the exemption from the corresponding interstate rate caps, as determined by the Federal Communications Commission.



Sec. 20. (a) The following definitions apply throughout this section:

(1) "Automated payment fee" means:

- (A) a credit card payment fee;**
- (B) a debit card payment fee; or**
- (C) a bill processing fee.**

The term includes fees for payments made by interactive voice response, the Internet, or kiosk.

(2) "Fee for single call and related services" means a billing arrangement in which:

- (A) an inmate's collect calls are billed through a third party on a per call basis; and**
- (B) the called party:**
 - (i) does not have an account with the provider of inmate calling services; or**
 - (ii) does not want to establish an account with the provider of inmate calling services.**

(3) "Live agent fee" means a fee associated with the optional use of a live operator to complete inmate calling services transactions.

(4) "Paper bill or statement fee" means a fee associated with providing a customer of inmate calling services an optional paper billing statement.

(5) "Third party financial transaction fee" means the exact fee, with no markup, that a provider of inmate calling services is charged by a third party to transfer money or process financial transactions to facilitate a consumer's ability to make account payments through the third party.

(b) A provider may not charge an ancillary service charge for, or in connection with, an intrastate inmate calling services call, other than those ancillary service charges permitted by the Federal Communications Commission for, or in connection with, interstate or international inmate calling services calls at the time the call is initiated.

(c) Subject to subsection (d), a rate for an ancillary service charge permitted under subsection (b) for, or in connection with, an intrastate inmate calling services call shall not exceed the rate for the comparable ancillary service charge permitted by the Federal Communications Commission for, or in connection with, interstate or international inmate calling services calls at the time the call is initiated. Subject to subsection (b), ancillary service charges subject to the rate cap set forth in this subsection include



the following:

- (1) Automated payment fees.
- (2) Fees for single call and related services.
- (3) Live agent fees.
- (4) Paper bill or statement fees.
- (5) Third party financial transaction fees.

(d) A provider that has been granted a waiver by the Federal Communications Commission from the ancillary service charge caps for interstate or international inmate calling services calls with respect to a particular:

- (1) correctional facility; or
- (2) contract for the provision of inmate calling services;

is not subject to the intrastate caps under subsection (c) for the comparable intrastate ancillary services provided to the same correctional facility or under the same contract. The exemption from the intrastate ancillary service charge caps provided under this subsection runs concurrently with the term of the exemption from the corresponding interstate or international ancillary service charge caps, as determined by the Federal Communications Commission.

Sec. 21. (a) Except as provided in subsection (b), a provider shall not:

- (1) prohibit or prevent completion of an intrastate collect calling call made in connection with an inmate calling service; or
- (2) decline to establish or otherwise degrade intrastate collect calling made in connection with inmate calling services;

solely for the reason that the provider lacks a billing relationship with the called party's communications service provider.

(b) The prohibitions set forth in subsection (a) do not apply if a provider offers debit calling, prepaid calling, or prepaid collect calling for intrastate inmate calling services calls.

Sec. 22. (a) A provider may not charge any taxes or fees to users of inmate calling services for, or in connection with, intrastate calls, except for the following:

- (1) Authorized fees.
 - (2) Mandatory taxes and fees.
- (b) Any:

- (1) authorized fee; or
- (2) mandatory tax or fee;

passed through to consumers for, or in connection with, intrastate inmate calling services may not include a markup, unless the



markup is specifically authorized by a federal, state, or local statute, rule, or regulation.

Sec. 23. A provider may not impose a per call or per connection charge on a consumer for any intrastate inmate calling services call.

Sec. 24. A provider may not offer flat rate calling for intrastate inmate calling services.

Sec. 25. (a) A provider may not institute a minimum balance requirement for a consumer to use:

- (1) debit calling; or
- (2) prepaid calling;

for intrastate inmate calling services calls.

(b) A provider may not prohibit a consumer from depositing at least fifty dollars (\$50) per transaction to fund a:

- (1) debit calling; or
- (2) prepaid calling;

account that can be used for intrastate inmate calling services calls.

Sec. 26. (a) After June 30, 2022, a provider shall not enter into or renew a contract with:

- (1) the department of correction; or
- (2) any:

(A) county;

(B) city; or

(C) public or private agency or organization;

that operates a correctional facility in Indiana;

for the provision of inmate calling services at a correctional facility unless the terms of the contract comply with this chapter.

(b) Any term, condition, or provision that:

- (1) is included in a contract that is entered into or renewed after June 30, 2022, for the provision of inmate calling services at a correctional facility; and
- (2) violates this chapter;

is void.

Sec. 27. A provider that violates this chapter:

- (1) commits a deceptive act that is actionable by the attorney general or by a consumer under IC 24-5-0.5-4; and
- (2) is subject to the remedies and penalties under IC 24-5-0.5."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.



(Reference is to HB 1181 as introduced.)

SCHAIBLEY

Committee Vote: yeas 11, nays 0.

