

HOUSE BILL NO. 426

INTRODUCED BY J. PRICE

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A BILL FOR AN ACT ENTITLED: "AN ACT PROTECTING PREPAID TELEPHONE ACCOUNTS USED BY INMATES IN STATE PRISONS FROM EXPIRATION; REQUIRING CONDITIONS OF USE AND DISCLOSURE; PROVIDING RULEMAKING; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Telephone account requirements for state prisons -- protected accounts -- disclosure required -- rulemaking -- definitions. (1) A state prison may not contract with a telecommunications service provider to provide communications services for inmates unless the contract:

- (a) provides public safety precautions required by the department of corrections;
- (b) prohibits expiration of prepaid minutes or charges, subject to the provisions in subsection (3)(b)(ii);
- (c) does not charge usage or dormancy fees;
- (d) does not charge excessive intrastate or interstate fees, as determined by the department of corrections by rule in accordance with federal communications commission rate caps; and
- (e) does not require monthly usage fees.

(2) The department of corrections shall require the notice described in subsection (3) to be in any contract with a telecommunications service provider that serves a state prison.

(3) (a) The notice required under subsection (2) must state that any telecommunications provider under contract with a state prison shall notify the purchaser of a prepaid telephone account of any fees for use, dormancy fees, or refunds that are available for unused minutes on a prepaid telephone card.

(b) The notice also must state that a prepaid telephone account:

- (i) may not require monthly usage; and
- (ii) must allow rollover of unused, prepaid minutes into the next month unless the inmate for whom the account was set up is no longer able to use the telephone account, whether for disciplinary reasons or other reasons specified by the department by rule. No refund is required for unexpired minutes subject to this subsection (3)(b)(ii).

(c) If a telephone account is unused for 12 months, the purchaser may request a refund to be mailed to



1 the address of record.

2 (d) The notice described in subsection (2) must be in at least 10-point type.

3 (4) The department of corrections has rulemaking authority to implement this section.

4 (5) For the purposes of this section, the following definitions apply:

5 (a) "Prepaid telephone account" means a system, whether purchased as a calling card or set up as an
6 account with a telecommunications service company to provide telephonic connections in which the purchaser
7 pays for minutes prior to use. The term does not include a lifeline account, defined under 47 CFR 54.401, for
8 which a telecommunications carrier receives universal service support.

9 (b) "State prison" has the meaning provided in 53-30-101(3)(c)(i) through (3)(c)(iii) and (3)(c)(v).

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11 **NEW SECTION. Section 2. Codification instruction.** [Section 1] is intended to be codified as an
12 integral part of Title 53, chapter 30, part 1, and the provisions of Title 53, chapter 30, part 1, apply to [section 1].

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14 **NEW SECTION. Section 3. Severability.** If a part of [this act] is invalid, all valid parts that are severable
15 from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part
16 remains in effect in all valid applications that are severable from the invalid applications.

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18 **NEW SECTION. Section 4. Effective date.** [This act] is effective July 1, 2017.

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