



## STATEMENT OF AT&T CONNECTICUT

**Regarding Raised House Bill No. 5491  
AN ACT CONCERNING CUSTOMER SALES AND SERVICE CALLS MADE FROM  
OUTSIDE THE UNITED STATES  
Before the General Law Committee  
March 11, 2014**

**Proposal:**

Raised House Bill No. 5491 would compel any company that has customers in the State of Connecticut to amend every contract to add the following provisions: requiring a customer service employee to disclose the following information during the first 30 seconds of each telephone call when they receive a telephone call from a resident of this state 1) Whether the customer service employee is located outside the United States; 2) If they are located outside the U.S., whether the call may require the resident to disclose personal identifying information; 3) If so, the resident may request that the call is transferred to a customer care center in the United States; 4) Whether the call is being monitored or will be reviewed by someone outside the United States; 5) Immediate transfer of the call to a customer sales call center located in the United States; and 6) The customer service employee shall ensure that such telephone call is not reviewed or monitored by a person located outside the United States.

**Comments:**

AT&T respectfully opposes Raised House Bill No. 5491 and urges the committee to reject it.

HB 5491 requires any customer service representative who calls or talks to a person who resides in Connecticut to identify the representative's location and, if requested, transfer the phone call to a call center within the United States. Connecticut's attempt through HB 5491 to regulate activities in another state and even another country directly impacts interstate commerce and therefore is likely unconstitutional under the Commerce Clause. Interstate commerce is left to Congress to regulate in order to promote harmony amongst the states. Given that HB 5491 not only impacts call centers that reside in other states but also call centers that are located in a foreign country, it appears to be well beyond the jurisdiction of the Connecticut General Assembly.

Setting aside whether the bill is constitutional, the practical implication of this language would result in a degradation of customer service with no perceivable value added. Companies use the level of their customer service to differentiate themselves in a highly competitive market. AT&T constantly strives to improve the customer experience. Specifically, we are focusing on being able to handle all of the customer's concerns on the first call as quickly and thoroughly as we can. Reducing or eliminating transfers is a key component to this effort; it reduces call time and the potential for inadvertently disconnecting a customer. Oftentimes we will not have an onshore representative available to assist the customer; time of day may be a factor. That means that the customer's concerns may not get answered. We work hard to reduce transfers since that is problematic for the customer and a legitimate source of irritation. The result of this would be a reduction in quality of service not an enhancement.

There is an implication in the language that this is addressing a potential misuse of personal identifying information by offshore customer representatives. Unfortunately, fraudulent activity can occur regardless of the location of a customer representative. There is no indication that where the call is routed reduces fraud. There are strict federal guidelines on the protection of customer personal identifying information by companies with access to it. In addition, we have internal policies and procedures in place that customer representatives are to follow addressing handling customer Sensitive Personal Information (SPI) and when we receive a report of a violation, we investigate it immediately and, in most instances, the representative – whether internal or vendor – is terminated. We also take remedial steps to prevent this from occurring (vendor sites are paperless environments, we disable notepad on the computers, clean desk policy, etc.).

We could not ensure quality customer service and compliance with regulatory requirements if we did not monitor the calls if they were transferred to onshore and there was not an onshore monitor available. The monitoring is for the protection of the customer as well, this provision would decrease our ability to detect any fraud or abuse that may be picked up during a customer call. In addition, our customer care representative would have no ability to ensure that the monitor of the call is on shore. This provision would be impossible to implement.

Today's economy is truly global in nature. That reality has both positive and negative aspects to it. Our state's economy has benefited from access to new markets across the globe and global exports are an integral part of our state's GDP. At the same time, work that can be done for less cost with the same or better quality elsewhere will undoubtedly be shifted to these other locations. This legislation seems to be trying to inoculate parts of Connecticut's economy from the impacts of globalization, while ignoring the very real benefits that Connecticut derives from globalization. Even if the legislature could wave a "magic wand" and put the globalization "genie" back in the bottle, Connecticut would likely be a net loser were Connecticut employees only allowed to service Connecticut customers and likewise in other states. Access to diverse and larger markets is fundamentally good for our state's workers and our state's economy. The legislature and economic development officials should be finding ways to ensure that we benefit from globalization and attract capital and the jobs that go with it.

**Conclusion:**

While AT&T appreciates the goals being advanced by this legislation, we strongly believe that the legislature would be better served creating incentives for job creation as opposed to the steps outlined in this proposal. And we believe the customer experience would actually be negatively impacted without any added benefit.