

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

May 26, 2010

<u>VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED</u> AND FACSIMILE AT 503-675-8989

Mr. John Marick, CEO Consumer Cellular, Inc. 7204 SW Durham Road Suite 300 Portland, Oregon 97224-7574

Re: File No. EB-09-SE-175

Dear Mr. Marick:

This is an official **CITATION**, issued to Consumer Cellular, Inc. ("Consumer Cellular"), a reseller of wireless services, pursuant to section 503(b)(5) of the Communications Act of 1934, as amended ("Act"), for violating the digital wireless handset hearing aid compatibility status report filing requirements set forth in section 20.19(i)(1) of the Commission's Rules ("Rules"). As explained below, future violations of the Commission's rules in this regard may subject Consumer Cellular to monetary forfeitures.

In the 2003 *Hearing Aid Compatibility Order*, the Commission adopted several measures to enhance the ability of individuals with hearing disabilities to access digital wireless telecommunications.³ The Commission established technical standards that digital wireless handsets must meet to be considered compatible with hearing aids operating in acoustic coupling and inductive coupling (telecoil) modes.⁴ The Commission further established, for each standard, deadlines by which manufacturers and service providers were required to offer specified numbers or percentages of digital wireless handsets per air interface⁵ that are compliant with the relevant standard if they did not come under the *de minimis*

¹ 47 U.S.C. § 503(b)(5).

² 47 C.F.R. § 20.19(i)(1).

³ The Commission adopted these requirements for digital wireless telephones under the authority of the Hearing Aid Compatibility Act of 1988, codified at Section 710(b)(2)(C) of the Communications Act of 1934, as amended, 47 U.S.C. § 610(b)(2)(C). See Section 68.4(a) of the Commission's Rules Governing Hearing Aid-Compatible Telephones, Report and Order, 18 FCC Rcd 16753, 16787 ¶ 89 (2003); Erratum, 18 FCC Rcd 18047 (2003) ("Hearing Aid Compatibility Order"); Order on Reconsideration and Further Notice of Proposed Rulemaking, 20 FCC Rcd 11221 (2005).

⁴ See Hearing Aid Compatibility Order, 18 FCC Rcd at 16777 ¶ 56; 47 C.F.R. § 20.19(b)(1), (2).

⁵ The term "air interface" refers to the technical protocol that ensures compatibility between mobile radio service equipment, such as handsets, and the service provider's base stations. Currently, the leading air interfaces include Code Division Multiple Access (CDMA), Global System for Mobile Communications (GSM), Integrated Digital Enhanced Network (iDEN) and Wideband Code Division Multiple Access (WCDMA) a/k/a Universal Mobile Telecommunications System (UMTS).

exception.⁶ In February 2008, as part of a comprehensive reconsideration of the effectiveness of the hearing aid compatibility rules, the Commission released an order that, among other things, adopted new compatible handset deployment benchmarks beginning in 2008.⁷

Of primary relevance, the Commission also adopted reporting requirements to ensure that it could monitor the availability of these handsets and to provide valuable information to the public concerning the technical testing and commercial availability of hearing aid-compatible handsets, including on the Internet. The Commission initially required manufacturers and digital wireless service providers to report every six months on efforts toward compliance with the hearing aid compatibility requirements for the first three years of implementation (May 17, 2004, November 17, 2004, May 17, 2005, November 17, 2005, May 17, 2006 and November 17, 2006), and then annually thereafter through the fifth year of implementation (November 19, 2007 and November 17, 2008). In its 2008 *Hearing Aid Compatibility First Report and Order*, the Commission extended these reporting requirements with certain modifications on an open ended basis, beginning January 15, 2009. The Commission also made clear that these reporting requirements apply to service providers that fit within the *de minimis* exception. In the commission also made clear that these reporting requirements apply to service providers that fit within the *de minimis* exception.

Consumer Cellular did not file a hearing aid compatibility status report prior to the January 15, 2009 deadline. The Wireless Telecommunications Bureau referred Consumer Cellular's apparent violation of the hearing aid compatibility reporting requirement to the Enforcement Bureau for possible enforcement action. On October 14, 2009, the Enforcement Bureau's Spectrum Enforcement Division issued Consumer Cellular a Letter of Inquiry ("LOI"). Consumer Cellular responded to the LOI by letter dated November 11, 2009. In the LOI response, Consumer Cellular acknowledges that it did not timely file the hearing aid compatibility report on January 15, 2009. Consumer Cellular explains that it did not file the report because it was unaware of its obligation to make such a filing. Consumer Cellular states that it filed the required report promptly on November 8, 2009, after learning of its obligation to do

⁶ See Hearing Aid Compatibility Order, 18 FCC Rcd at 16780 ¶ 65; 47 C.F.R. § 20.19(c), (d). The *de minimis* exception provides that manufacturers or mobile service providers that offer two or fewer digital wireless handset models per air interface are exempt from the hearing aid compatibility deployment requirements, and manufacturers or mobile service providers that offer three digital wireless handset models per air interface must offer at least one compliant model. 47 C.F.R. § 20.19(e).

⁷ See Amendment of the Commission's Rules Governing Hearing Aid-Compatible Mobile Handsets, First Report and Order, 23 FCC Rcd 3406 (2008) ("Hearing Aid Compatibility First Report and Order"), Order on Reconsideration and Erratum, 23 FCC Rcd 7249 (2008).

⁸ See Hearing Aid Compatibility First Report and Order, 23 FCC Rcd at 3443 ¶ 91.

⁹ Hearing Aid Compatibility Order, 18 FCC Rcd at 16787 ¶ 89; see also Wireless Telecommunications Bureau Announces Hearing Aid Compatibility Reporting Dates for Wireless Carriers and Handset Manufacturers, Public Notice, 19 FCC Rcd 4097 (Wireless Tel. Bur. 2004).

¹⁰ See Hearing Compatibility First Report and Order, 23 FCC Rcd at 3445-46 ¶¶ 97-99.

¹¹ *Id*. at ¶ 99.

¹² See Letter from Kathryn S. Berthot, Chief, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission, to John Marick, CEO, Consumer Cellular (October 14, 2009).

¹³ See Letter from John Marick, CEO, Consumer Cellular, to Celia Lewis, Paralegal Specialist, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission (November 11, 2009) ("LOI Response").

¹⁴ LOI Response at 1.

¹⁵ *Id.* at 2.

so. 16 In addition, Consumer Cellular notes that it was in compliance with its "underlying legal obligations to provide all legally-required hearing-aid compatible handsets to the public." 17

Under section 20.19(i)(1) of the Rules, all service providers, including resellers, must file hearing aid compatibility status reports initially on January 15, 2009, and annually thereafter.¹⁸ These reports are necessary to enable the Commission to perform its enforcement function and evaluate whether Consumer Cellular is in compliance with Commission mandates that were adopted to facilitate the accessibility of hearing aid-compatible wireless handsets. These reports also provide valuable information to the public concerning the technical testing and commercial availability of hearing aid-compatible handsets. Based on the record before us, we find that Consumer Cellular did not timely file the January 15, 2009 report. Accordingly, Consumer Cellular violated the hearing aid compatibility status report filing requirements set forth in section 20.19(i)(1) of the Rules.

Consumer Cellular should take prompt action to ensure that it does not continue to violate the Commission's wireless hearing aid compatibility rules. If, after receipt of this Citation, Consumer Cellular violates the Communications Act or the Commission's rules or orders in any manner described herein, the Commission may impose monetary forfeitures not to exceed \$150,000 for each such violation or each day of a continuing violation.¹⁹

Consumer Cellular may respond to this citation within 30 days from the date of this letter either through (1) a personal interview at the Commission's Field Office nearest to your place of business, or (2) a written statement. Consumer Cellular's response should specify the actions that it is taking to ensure that it does not violate the Commission's rules governing the filing of hearing aid compatibility status reports in the future.

The nearest Commission field office appears to be the Portland District Office, in Portland, Oregon. Please call Celia Lewis at 202-418-7456, if Consumer Cellular wishes to schedule a personal interview. Consumer Cellular should schedule any interview to take place within 30 days of the date of this letter. Consumer Cellular should send any written statement within 30 days of the date of this letter to:

Celia Lewis Spectrum Enforcement Division Enforcement Bureau Re: EB-09-SE-175 Federal Communications Commission 445 12th Street, S.W., Rm. 3-A360 Washington, D.C. 20554

Under the Privacy Act of 1974, ²⁰ we are informing Consumer Cellular that the Commission's staff will use all relevant material information before it, including information that Consumer Cellular discloses in its interview or written statement, to determine what, if any, enforcement action is required to ensure Consumer Cellular's compliance with the Communications Act and the Commission's rules.

¹⁶ LOI Response at 1-2. *See* Consumer Cellular, Inc. Hearing Aid Compatibility Report (filed November 8, 2009) at http://fjallfoss.fcc.gov/ecfs/document/view?id=7020347130.

¹⁷ LOI Response at 2.

¹⁸ 47 C.F.R. § 20.19(i)(1).

¹⁹ See 47 C.F.R. § 1.80(b)(3).

²⁰ See 5 U.S.C. § 552a(e)(3).

The knowing and willful making of any false statement, or the concealment of any material fact, in reply to this citation is punishable by fine or imprisonment.²¹

We thank Consumer Cellular in advance for its anticipated cooperation.

Sincerely,

Kathryn Berthot Chief, Spectrum Enforcement Division Enforcement Bureau

cc: Jonathan Lee, Esq. JD Lee Consulting, LLC 1776 I Street, N.W. Suite 900 Washington, D.C. 20006

²¹ See 18 U.S.C. § 1001.