Before the

Federal Communications Commission

**Washington, D.C. 20554**

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| In the Matter of  Tele Circuit Network Corporation  Complaint Regarding  Unauthorized Change of  Subscriber’s Telecommunications Carrier | **)**  **)**  **)**  **)**  **)**  **)**  **)** | Complaint No. 4080233 |
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**ORDER**

**Adopted: August 25, 2020 Released: August 26, 2020**

By the Chief, Consumer Policy Division, Consumer and Governmental Affairs Bureau:

1. In this Order, we consider a complaint alleging that Tele Circuit Network Corporation (Tele Circuit) changed Complainant’s telecommunications service provider without obtaining authorization and verification from Complainant as required by the Commission’s rules.[[1]](#footnote-3) We conclude that Tele Circuit’s actions violated the Commission’s slamming rules, and we therefore grant Complainant’s complaint.
2. Section 258 of the Communications Act of 1934, as amended (the Act), prohibits the practice of “slamming,” the submission or execution of an unauthorized change in a subscriber’s selection of a provider of telephone exchange service or telephone toll service.[[2]](#footnote-4) The Commission’s implementing rules require, among other things, that a carrier receive individual subscriber consent before a carrier change may occur.[[3]](#footnote-5) Specifically, a carrier must: (1) obtain the subscriber’s written or electronically signed authorization in a format that satisfies our rules; (2) obtain confirmation from the subscriber via a toll-free number provided exclusively for the purpose of confirming orders electronically; or (3) utilize an appropriately qualified independent third party to verify the order.[[4]](#footnote-6) The Commission has also adopted rules to limit the liability of subscribers when an unauthorized carrier change occurs, and to require carriers involved in slamming practices to compensate subscribers whose carriers were changed without authorization.[[5]](#footnote-7)
3. We received Complainant’s complaint alleging that Complainant’s telecommunications service provider had been changed without Complainant’s authorization.[[6]](#footnote-8) Pursuant to our rules, we notified Tele Circuit of the complaint.[[7]](#footnote-9) Tele Circuit has failed to respond to the complaint. The failure of Tele Circuit to respond or provide proof of verification is presumed to be clear and convincing evidence of a violation.[[8]](#footnote-10) Therefore, we find that Tele Circuit’s actions resulted in a violation of our slamming rules, and we discuss Tele Circuit’s liability below.[[9]](#footnote-11) We will also forward a copy of the record of this proceeding to our Enforcement Bureau to determine what additional actions may be necessary.
4. Tele Circuit must remove all charges incurred for service provided to Complainant for the first thirty days after the alleged unauthorized change in accordance with the Commission’s liability rules.[[10]](#footnote-12) We have determined that Complainant is entitled to absolution for the charges incurred during the first thirty days after the unauthorized change occurred and that neither the Complainant’s authorized carrier nor Tele Circuit may pursue any collection against Complainant for those charges.[[11]](#footnote-13) Any charges imposed by Tele Circuit on the Complainant for service provided after this 30-day period shall be paid by the Complainant to the authorized carrier at the rates the Complainant was paying the authorized carrier at the time of the unauthorized change of their telecommunications service provider.[[12]](#footnote-14)
5. Accordingly, IT IS ORDERED that, pursuant to section 258 of the Communications Act of 1934, as amended, 47 U.S.C. § 258, and sections 0.141, 0.361, and 1.719 of the Commission’s rules, 47 CFR §§ 0.141, 0.361, 1.719, the complaint against Tele Circuit Network Corporation IS GRANTED.
6. IT IS FURTHER ORDERED that, pursuant to section 64.1170(d) of the Commission’s rules, 47 CFR § 64.1170(d), Complainant is entitled to absolution for the charges incurred during the first thirty days after the unauthorized change occurred and that Tele Circuit Network Corporation may not pursue any collection against Complainant for those charges.
7. IT IS FURTHER ORDERED that this Order is effective upon release.

FEDERAL COMMUNICATIONS COMMISSION

Kurt A. Schroeder

Chief

Consumer Policy Division

Consumer and Governmental Affairs Bureau

1. *See* Informal Complaint No. 4080233 (filed July 10, 2020); 47 CFR §§ 64.1100 – 64.1190. [↑](#footnote-ref-3)
2. 47 U.S.C. § 258(a). [↑](#footnote-ref-4)
3. *See* 47 CFR § 64.1120. [↑](#footnote-ref-5)
4. *See* *id.* § 64.1120(c). Section 64.1130 details the requirements for letter of agency form and content for written or electronically signed authorizations. *Id.* § 64.1130. [↑](#footnote-ref-6)
5. These rules require the unauthorized carrier to absolve the subscriber where the subscriber has not paid his or her bill. If the subscriber has not already paid charges to the unauthorized carrier, the subscriber is absolved of liability for charges imposed by the unauthorized carrier for service provided during the first 30 days after the unauthorized change. *See* *id.* §§ 64.1140, 64.1160. Any charges imposed by the unauthorized carrier on the subscriber for service provided after this 30-day period shall be paid by the subscriber to the authorized carrier at the rates the subscriber was paying to the authorized carrier at the time of the unauthorized change. *Id.* Where the subscriber has paid charges to the unauthorized carrier, the Commission’s rules require that the unauthorized carrier pay 150 percent of those charges to the authorized carrier, and the authorized carrier shall refund or credit to the subscriber 50 percent of all charges paid by the subscriber to the unauthorized carrier. *See id.* §§ 64.1140, 64.1170. [↑](#footnote-ref-7)
6. *See* Informal Complaint No. 4080233. [↑](#footnote-ref-8)
7. 47 CFR § 1.719 (Commission procedure for informal complaints filed pursuant to section 258 of the Act); *id.* § 64.1150 (procedures for resolution of unauthorized changes in preferred carrier). [↑](#footnote-ref-9)
8. *See id.* § 64.1150(d). [↑](#footnote-ref-10)
9. If Complainant is unsatisfied with the resolution of the complaint, Complainant may file a formal complaint with the Commission pursuant to section 1.721 of the Commission’s rules. *Id*. § 1.721. Such filing will be deemed to relate back to the filing date of Complainant’s informal complaint so long as the formal complaint is filed within 45 days from the date this order is mailed or delivered electronically to Complainant. *See* *id*. § 1.719. [↑](#footnote-ref-11)
10. *See id.* § 64.1160(b). [↑](#footnote-ref-12)
11. *See id.* § 64.1160(d). [↑](#footnote-ref-13)
12. *See id.* § 64.1140, 64.1160. [↑](#footnote-ref-14)