



NEWS

Federal Communications Commission
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE:
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FCC EXTENDS TRUTH-IN-BILLING RULES TO WIRELESS PHONES; SEEKS COMMENT ON ADDITIONAL MEASURES TO INCREASE ABILITY OF CONSUMERS TO MAKE INFORMED CHOICES

Washington, DC – The Federal Communications Commission has expanded the federal consumer protection rules that apply to consumers' wireless phone bills. It has also asked for comment on additional measures to facilitate the ability of telephone consumers to make informed choices among competitive telecommunications service offerings.

The actions come in response to consumer concerns with the billing practices of wireless and other interstate providers, outstanding issues from the FCC's 1999 *Truth-in-Billing Order* and a petition filed by the National Association of State Utility Consumer Advocates (NASUCA).

Specifically, the Commission:

- Removed the existing exemption for Commercial Mobile Radio Service (CMRS) carriers from the rules requiring that billing descriptions be brief, clear, non-misleading and in plain language;
- Held that it is misleading to represent discretionary line item charges in any manner that suggests such line items are taxes or government mandated charges;
- Clarified that the burden rests upon the carrier to demonstrate that any line item that purports to recover a specific governmental or regulatory program fee conforms to the amount authorized by the government to be collected; and
- Clarified that state regulations requiring or prohibiting the use of line items for CMRS constitute rate regulation and are preempted.

In a *Second Further Notice of Proposed Rulemaking*, the Commission:

- Sought comment on the distinction between government “mandated” and other charges;
- Tentatively concluded that, where carriers choose to list charges in separate line items on their customers’ bills, government mandated charges must be placed in a section of the bill separate from all other charges;
- Sought comment on whether it is unreasonable to combine federal regulatory charges into a single line item;
- Tentatively concluded that carriers must disclose the full rate, including any non-mandated line items and a reasonable estimate of government mandated surcharges, to the consumer at the point of sale; and
- Tentatively concluded that the Commission should preempt inconsistent state regulation of telecommunications carrier-specific truth-in-billing rules. The Commission emphasized, however, that no such action would limit states’ ability to enforce their own generally applicable consumer protection laws.

Action by the Commission March 10, 2005, by *Second Report and Order, Declaratory Ruling, and Second Further Notice of Proposed Rulemaking* (FCC 05-55). Chairman Powell, Commissioners Abernathy and Martin, with Commissioner Copps approving and dissenting in part, and Commissioner Adelstein approving and dissenting in part. Chairman Powell, Commissioners Abernathy, Copps, Martin and Adelstein issuing separate statements.

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