

**STATEMENT OF
COMMISSIONER ROBERT M. MCDOWELL**

Re: *In the Matter of Consumer Information and Disclosure Empowering Consumer to Avoid Bill Shock, CG Docket Nos. 09-158, 10-207.*

I am voting to approve today's notice of proposed rulemaking regarding unexpected charges on wireless consumer bills. At the same time, I note that some have expressed concern regarding the context of the process as well as the substance. I appreciate such observations. Certainly we all agree on the importance of giving consumers what they need in a timely way. It is equally important, however, to develop a record and allow public comment prior to forming conclusions and implementing any regulations.

With regard to the substance, the white paper released by the Consumer and Governmental Affairs Bureau staff yesterday states that the Commission has received 764 "bill shock" complaints in the first six months of 2010. Although not noted in the white paper, America is home to an estimated 295 million mobile wireless subscribers. The white paper also states that some of the 764 complaints are under review by or are being actively mediated by the Commission. In others, the Commission has served the carrier with a complaint. Furthermore, some cases have been resolved satisfactorily. A more careful review of the totality of the evidence before us tells us that it is important to consider the questions contained in today's notice in the context of *all* of the data that is currently available. Here again, we would all agree that being "data-driven" means more than focusing on only a few facts and figures.

As we move ahead to explore the issues raised in the notice, I hope that we will avoid inadvertently interfering with the host of innovative applications and programs that already exist for the purpose of helping consumers manage their wireless usage. Service providers are innovating to develop and implement useful tools to empower their subscribers. For instance, earlier this month, one mid-sized carrier announced a new consumer program, which includes special phone replacement features, earlier phone upgrades, an overage cap, forgiveness and protection and discounts for paperless billing, even in the absence of a regulatory mandate. One could even say that when it comes to fixing bill shock, "there's an app for that."

Finally, we must not forget about the economic effects of potential new rules. While it may be tempting to shrug off regulatory costs, the reality is that businesses pass on their costs to consumers. We *all* pay for the cost of government mandates. As such, it is important to proceed carefully.

As always, I look forward to learning more from interested parties. Thank you to the Consumer and Governmental Affairs Bureau for its work on this notice.