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For Immediate Release

**CHAIRWOMAN ROSENWORCEL ANNOUNCES PROPOSAL IN
CONTINUED FIGHT AGAINST VIDEO SERVICE JUNK FEES TO
PROMOTE COMPETITION**

***Proposal Would Consider Prohibiting Early Termination and Billing Cycles Fees and
Requiring Credits and Rebates After Cancellation of Service***

WASHINGTON, November 21, 2023—Federal Communications Commission Chairwoman Jessica Rosenworcel today announced a proposal to eliminate video service junk fee billing practices by cable operators and direct broadcast satellite (DBS) service providers and study their impact on consumer choices. The proposal will be voted on during the December 13 Open Meeting.

“No one wants to pay junk fees for something they don’t want or can’t use. When companies charge customers early termination fees, it limits their freedom to choose the service they want,” **said Chairwoman Rosenworcel.** “In an increasingly competitive media market, we should make it easier for Americans to use their purchasing power to promote innovation and expand competition within the industry.”

TV video service subscribers may terminate service for any number of reasons, including moving, financial hardship, or poor service. Early termination fees require subscribers to pay a fee for terminating a video services contract prior to its expiration date, making it costly for consumers to switch services during the contract term. Because these fees may have the effect of limiting consumer choice after a contract is enacted, it may negatively impact competition for services in the marketplace. Additionally, billing cycle fees require TV video service subscribers to pay for a complete billing cycle even if the subscriber terminates service prior to the end of that billing cycle. These fees penalize consumers for terminating service by requiring them to pay for services they choose not to receive.

Recently, the Executive Order on Promoting Competition in the American Economy encouraged the Commission to consider “prohibiting unjust or unreasonable early termination fees for end-user communication contracts; enabling consumers to more easily switch providers” in order to promote competition and lower prices. In addition to today’s proposal, the FCC is also implementing Broadband Consumer Labels and has proposed ‘all-in-pricing’ for cable and satellite services.

If adopted by a vote of the full Commission, this action, called a Notice of Proposed Rulemaking, would:

- Propose to adopt customer service protections that prohibit cable operators and DBS service providers from imposing a fee for the early termination of a cable or DBS video service contract.

- Propose to adopt customer service protections to require cable and DBS service providers to grant subscribers a prorated credit or rebate for the remaining whole days in a monthly or periodic billing cycle after the cancellation of service.

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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).*