Federal Communications Commission

Consumer Advisory Committee

Recommendation Regarding Truth-in-Billing

- 1. WHEREAS the Federal Communications Commission ("FCC" or "Commission") seeks comment on its truth-in-billing (TIB) rules "with the goal of ensuring that all consumers are provided with the basic information they need to make informed choices in a competitive communications marketplace;"¹
- 2. WHEREAS, in line with that goal, the Commission aims to "identify concrete and costeffective TIB rules that will ensure that all voice service consumers fully understand the charges on their bills, including whether line items recover a service provider's own costs or those related to government programs," and seeks comment on whether to extend its TIB rules to include interconnected Voice over Internet Protocol (VoIP) services;²
- 3. WHEREAS the Commission tasked the Consumer Advisory Committee Truth-in-Billing Working Group ("CAC TIB WG") with evaluating whether extending the TIB rules to interconnected VoIP service is necessary to allow consumers to make informed choices and whether voice service providers should be required to separate government-mandated fees from non-government-mandated fees on bills;
- 4. WHEREAS consumers have various options for their voice service in today's competitive marketplace, and many consumers have migrated away from traditional landline telephony for their communications service towards interconnected VoIP services, which are sometimes purchased as part of a bundled service that includes telephone, Internet connection and cable television. The FCC Voice Telephone Services Report (12/31/18) data, shows that interconnected VoIP subscriptions increased at a compounded annual growth rate of four percent between 2015-2018;³
- 5. WHEREAS consumers need clear information about voice service providers' monthly service charges and fees to understand their bills and to comparison shop amongst multi-technology service providers in the market.⁴; and

¹ Consumer and Governmental Affairs Bureau Seeks to Refresh the Record on Truth-in-Billing Rules to Ensure Protections for All Consumers of Voice Servs., Public Notice, DA 19-1271, CC Docket No. 98-170, WC Docket No. 04-36 (rel. Dec. 13, 2019) ("Public Notice").

² Id.

³ FCC, Industry Analysis Division, Office of Economics and Analytics, Voice Telephone Services: Status as of December 31, 2018 (rel. Mar 2020), <u>https://docs.fcc.gov/public/attachments/DOC-362882A1.pdf</u>.

⁴ See, e.g., GetVoIP: Residential VoIP – Compare 2020's Best Home Phone Services (last visited Mar. 10, 2020), https://getvoip.com/residential/; AllConnect (last visited Mar. 10, 2020), https://www.allconnect.com/home-phone.

6. WHEREAS the CAC TIB WG recognized that detailed data on consumer questions and complaints regarding their telephone bills is needed to make recommendations on the questions above. More comprehensive data are likely required to make recommendations on the Commission's TIB Refresh *Public Notice*.

NOW, THEREFORE IT IS

- 1. RECOMMENDED that the Commission continue to examine consumer complaints regarding interconnected VoIP bills, and if there is evidence that there is a significant volume of complaints of consumer confusion specifically regarding interconnected VoIP bills, the Commission could consider refreshing its docket regarding applicability of TIB rules to interconnected VoIP services only for consumers in the future;
- 2. RECOMMENDED that the Commission consider fundamental goals/principles when it reviews TIB rules and the value of applying them to all voice telephony technologies, including but not limited to, wireless, wireline, and interconnected VOIP providers;
- 3. RECOMMENDED that the Commission consider revising its consumer complaint intake form and portal to gather more robust detail regarding consumer billing complaints so that the Commission and others can sort, organize, analyze, prioritize, and report on consumer complaint data in more detail;
- 4. RECOMMENDED that the Commission create a new Working Group to review ways the Commission can modernize and strengthen its TIB rules, such as:
 - i. Examining government and non-government fees on consumer telephone bills and how labeling and/or separate itemization of such fees can become clearer and more transparent with respect to the services being charged, and to better prepare consumers to shop and compare for voice services that suit their needs;
 - ii. Suggesting other resources and processes that can educate consumers and facilitate consumer market price comparisons so consumers can compare and use voice services that suit their needs;
 - iii. Developing procedures to help ensure that accessibility means are in place or updated to accommodate those who want to better understand their telecommunications bills; and
 - iv. Providing other ways to help consumers to better understand their bills based on consumer feedback;
- 5. RECOMMENDED that the Commission provide the new Working Group complaint data that includes more robust descriptions from consumers regarding voice service billing issues to help it formulate recommendations on how the Commission and voice service

providers can give consumers the ability to comparison shop in markets and better understand their bills.

Adopted on April 27, 2020. {2 Abstentions: Americans For Tax Reform and National Consumer Law Center; 2 Nays: Massachusetts Department of Telecommunications and Cable and National Association of State Utility Consumer Advocates}

Respectfully submitted,

Steve Pociask, Chairperson

FCC Consumer Advisory Committee