



**Testimony of  
Mike Blank  
CTIA**

**In Opposition to  
Rhode Island HB 5247**

**Before the  
Rhode Island House Corporations Committee**

**February 10, 2025**

On behalf of CTIA®, the trade association for the wireless communications industry, I write in opposition to House Bill 5247, relating to deceptive trade practices. We appreciate the goal of protecting consumers from practices that may undermine a consumer’s ability to make informed commercial decisions, and our industry is committed to ensuring consumers have accurate and transparent information. However, robust federal regulations and public industry commitments already exist, thereby making any new state-specific law imposed on our industry potentially duplicative and not in the consumer’s interest.

### **Industry is Committed to Keeping Consumers Informed**

In the competitive wireless marketplace, CTIA and its members have established the *Consumer Code for Wireless Service*<sup>1</sup>—an evolving set of principles designed to help consumers make informed decisions when selecting wireless services. This code has been regularly updated since it was first created nearly 20 years ago. Importantly, more than half of the principles contained in the *Consumer Code for Wireless Service* speak to this important issue, with disclosure of rates and terms of service being the first commitment. Further, Principle 5 *establishes a commitment to “clearly and conspicuously” disclosing material charges.*

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<sup>1</sup> CTIA, *Consumer Code for Wireless Service* (2020), <https://api.ctia.org/wp-content/uploads/2020/03/CTIA-Consumer-Code-2020.pdf> (“*Consumer Code for Wireless Service*”).



Wireless services are used every day to connect consumers to school, work, and loved ones, and as of 2023, there more than 1.6 wireless connections for every person in the United States.<sup>2</sup> Consumers tend to use their wireless devices throughout the day, which serves as a tangible reminder of the services they are receiving. Wireless services are thus distinguishable from other products and services where consumers may not even be aware that they are being charged for a service, such as services that may renew on an annual basis. Moreover, wireless providers typically have regular engagement with their customers, including through monthly notices regarding plan terms and itemized costs, as well as through alerts that may be sent in accordance with commitments made as part of the *Consumer Code for Wireless Service*.

### **Robust Federal Regulation of the Wireless Industry Already Exists**

The wireless industry is regulated by the FCC, which has its own regulatory regime to protect consumers from surprise or unfair fees and billing practices, including broadband labeling and Truth-in-Billing regulation. The FCC's rules already require the wireless industry to convey relevant information to consumers and prevent unfair or deceptive fees. CTIA's members have for years embraced regulatory efforts already undertaken by the FCC to ensure consumers have clear information about service charges and to help protect consumers from fraud and unauthorized third-party fees. These rules and policies effectively prevent and hold wireless providers responsible for any unfair or deceptive fees.

FCC Broadband Labeling: Implementing a Congressional directive, the FCC adopted requirements for broadband labeling in 2023.<sup>3</sup> These requirements will ensure consumers are given clear, accurate, and transparent information to guide their purchasing decisions. Under these new broadband consumer label rules, all wireless consumers will have access to easy-to-understand labels modeled on the nutrition labels that appear on food products. The labels clearly lay out key information about prices (including monthly and one-time fees, and the availability of discounts and bundles), the amount of data included in the base price, typical upload and download speeds that consumers can expect, and a provider's network management and privacy practices. Importantly, in adopting its

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<sup>2</sup> See CTIA, *2023 Annual Survey Highlights*, at 5 (July 25, 2023), <https://www.ctia.org/news/2023-annual-survey-highlights>.

<sup>3</sup> See *Empowering Broadband Consumers Through Transparency*, Order, CG Docket No. 22-2, DA 23-617 (CGB rel. July 18, 2023).



directive, Congress clearly intended that the FCC should regulate the advertising of broadband on a *national* level.<sup>4</sup>

FCC's Truth-in-Billing: For nearly two decades, wireless voice providers have abided by the FCC's Truth-in-Billing requirements, which are broad, binding principles that ensure voice providers offer information on customers' bills that is clear and not misleading.<sup>5</sup> The Truth-in-Billing rules have also served to help protect consumers from fraud and unauthorized third-party charges. Importantly, the FCC created a comprehensive framework that affords providers flexibility in their billing procedures without discouraging the introduction of new pricing plans or impairing the ability of providers to adopt improvements to their billing systems or bill structures.<sup>6</sup>

Therefore, the law should clearly exempt services that are regulated by the FCC.

FTC Regulations: In November 2023, the FTC published a Notice of Proposed Rulemaking ("FTC NPRM") that proposes to prohibit unfair or deceptive practices relating to fees for goods or services.<sup>7</sup> The proposal sought to prohibit businesses from offering, displaying, or advertising amounts consumers may pay without clearly and conspicuously disclosing the "Total Price," as considered in the legislation. The Federal Trade Commission ("FTC") issued its final rule regarding unfair and deceptive consumer fees in December 2024, whereby it adopted provisions only applicable to the live-event ticketing and short-term rental industries.<sup>8</sup>

Title 47 U.S.C.: It is not clear if the requirements in the bill is consistent with federal law, which plainly states that "no State or local government shall have any authority to regulate the entry of or *the rates charged* by any commercial mobile service . . . except that this paragraph shall not prohibit a State

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<sup>4</sup> Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, § 60504(a), 135 Stat. 429, 1244 (2021).

<sup>5</sup> *Truth-in-Billing and Billing Format*, First Report and Order and Further Notice of Proposed Rulemaking, 14 FCC Rcd 7492 (1999) ("FCC Truth-in-Billing R&O"); *Truth-in-Billing and Billing Format*; *National Association of State Utility Consumer Advocates' Petition for Declaratory Ruling Regarding Truth-in-Billing*, Second Report and Order, Declaratory Ruling, and Second Further Notice of Proposed Rulemaking, 20 FCC Rcd 6448 (2005).

<sup>6</sup> See FCC Truth-in-Billing R&O, 14 FCC Rcd at 7499, ¶ 10

<sup>7</sup> See Trade Regulation Rule on Unfair or Deceptive Fees, 88 Fed. Reg. 77420 (Nov. 9, 2023).

<sup>8</sup> The FCC is also considering rules related to cable and DBS pricing. *All-In Pricing for Cable and Satellite Television Service*, Notice of Proposed Rulemaking, MB Docket No. 23-203, FCC 23-52 (rel. June 20, 2023).



from regulating the *other* terms and conditions of commercial mobile services.”<sup>9</sup> It is also not clear if the proposed exceptions in the legislation related to “tax or fees imposed by a government entity on the transaction” would include the wide range of monies wireless providers collect at the behest and with the blessing of government regulators.

### **Wireless Services are Already Regulated by the FCC**

Commitments made by wireless service providers through the *Consumer Code for Wireless Service*, coupled with regulatory protections adopted by the FCC, serve today to provide protection and clarity to consumers regarding their commercial decisions. Given the incentives wireless providers have to ensure their trusted relationship is maintained with consumers, CTIA urges Rhode Island to recognize the dynamics within the competitive wireless marketplace and refrain from imposing a new state law on the wireless industry that would be unnecessary, duplicative, and not in the consumer interest.

If Rhode Island ultimately enacts a law regarding unfair and deceptive fees, any new law should expressly exempt services already regulated by the FCC for the reasons stated above.

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<sup>9</sup> 47 U.S.C. § 332(c)(3)(A) (emphasis added); see also, e.g., *MCI Telecommunications Corp. v. FCC*, 822 F.2d 80 (D.C. Cir. 1987).