

## ***Resolution Supporting FCC's Slamming Rules***

**WHEREAS**, The Federal Communications Commission (FCC) has issued a notice seeking comments regarding possible revision or elimination of its slamming rules under the Regulatory Flexibility Act, 5 U.S.C. § 610 (DA No. 05-1524); *and*

**WHEREAS**, In its First Order on Reconsideration, CC Docket No. 97-129, Order FCC 00-135, the FCC recognized that States should have the ability, if they choose, to mediate slamming complaints received from consumers within that State; *and*

**WHEREAS**, The FCC recognizes that individual States have unique processes, procedures and rules regarding slamming complaints; *and*

**WHEREAS**, The FCC noted that State commissions are better equipped than the industry to resolve slamming disputes and directed that those disputes be brought before State commissions who choose to mediate slamming complaints; *and*

**WHEREAS**, On November 28, 2000, the FCC's revised telephone slamming liability rules went into effect; *and*

**WHEREAS**, Pursuant to the revised rules, States are now able to "opt-in" to become the primary forums for administering the slamming liability rules and resolving consumer's slamming complaints; *and*

**WHEREAS**, NARUC and the FCC have a history of fruitful collaboration and active cooperation attacking the abuse of slamming of a consumer's local or long distance telephone service provider; *and*

**WHEREAS**, The Board of Directors of the National Association of Regulatory Utility Commissioners ("NARUC"), convened in its July 2000 Summer Meeting in Los Angeles, California, passed a resolution commending and supporting the FCC in its efforts to address slamming problems and that recognize States as the appropriate contact for consumer complaints, as evidenced in Order 00-135; *and*

**WHEREAS**, In November of 2000, the NARUC Staff Subcommittee on Consumer Affairs developed the *State Commission Best Practices: A Guide to Administering the New FCC Slamming Rules* with the hope that the guidelines would allow States to be better equipped to effectively mediate slamming complaints, make it easier for States, the FCC, and consumers to resolve consumer complaints, and aid in enforcement efforts to identify and take action against companies engaged in slamming; *and*

**WHEREAS**, In 1999, NARUC and the FCC formulated the State and National Action Plan (SNAP) to provide formal coordination between Federal and State regulatory agencies on consumer and enforcement issues, including monthly conference calls to exchange information regarding emerging consumer problems or issues and pending enforcement actions; *and*

**WHEREAS**, To date the following 37 States, the District of Columbia and Puerto Rico, have "opted-in" to administer their own slamming rules: Alabama, Arkansas, California, Colorado,

Connecticut, Florida, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, and Wyoming; *and*

**WHEREAS**, The FCC wisely did not take a “cookie cutter” approach to slamming regulations but rather provides the needed flexibility to the States to address unique fraudulent activities by establishing the regulatory floor while allowing the States to establish more stringent rules or the regulatory ceiling-- which includes the ability to fine violators; *and*

**WHEREAS**, Oversight of slamming issues by State Commissions has been enhanced through collaborative Federalism as evidenced by: more extensive information sharing on market practices and trends, decreases in slamming complaints, less divergence in regulatory responses to market abuses, better coordinated enforcement efforts, and by a common front in opposition to abusive practices affecting consumers of telecommunications services; *now be it further*

**RESOLVED**, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened in its July 2005 Summer Committee Meeting in Austin, Texas, find the FCC’s slamming rules to be the best model of cooperative Federalism striking an effective balance between State and Federal rules; *and be it further*

**RESOLVED**, That NARUC encourages and supports the FCC’s efforts to maintain an effective, strong and cooperative relationship with NARUC and its member States as it addresses slamming issues and other consumer issues, including development of rules and policies, enforcement actions against violators, and developing and distributing related consumer education materials; *and be it further*

**RESOLVED**, That NARUC directs its General Counsel to file with the FCC comments in DA No. 05-1524 to further the intent of this resolution.

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*Sponsored by the Committee on Consumer Affairs*

*Adopted by the NARUC Board of Directors July 27, 2005*