

FEDERAL COMMUNICATIONS COMMISSION

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CONSUMER ADVISORY COMMITTEE MEETING

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FRIDAY,
JUNE 18, 2004

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The above entitled meeting commenced at 9:00 a.m. in Room TW-C305 of the Federal Communications Commission, 445 12th Street S.W., Washington, DC, Shirley L. Rooker, CAC Chairperson, presiding.

PANELISTS:PANEL 1- Update on Truth in Billing Issues:

JOY RAGSDALE, Moderator, Chair, Consumer Complaints Outreach, Education, and Participation Working Group
 MICHAEL ALTSCHUL, Presenter, Senior Vice President and General Counsel, Cellular Telecommunications and Internet Association
 COMMISSIONER JOSEPH CURRAN, III, Presenter, Maryland Public Service Commission (representing NARUC)
 PATRICK W. PEARLMAN, Presenter, Deputy Consumer Advocate, West Virginia Public Service Commission, (representing NASUCA)
 ROBIN TUTTLE, Presenter, Associate Counsel, United States Telecom Association

PANEL 2- Update on Homeland Security Issues:

MIKE DUKE, Moderator, Chair, Homeland Security Working Group
 JOSEPH GORDON, Presenter, League for the Hard of Hearing
 BRENDA KELLY-FREY, Presenter, National Association of State Relay Administration
 CLAUDE STOUT, Presenter, Deaf and Hard of Hearing Consumer Action Network

PROGRESS REPORT- Broadband Working Group:**NEAL R. GROSS**

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DAVID BRUGGER, Member, Broadband Working Group,
Brugger Consulting

ALSO PRESENT:

SHIRLEY ROOKER, Call for Action, CAC Chairperson
THOMAS ALLIBONE, LTC Consulting and Teletruth
CHRIS BAKER, AARP
ANN BERKOWOTZ, Verizon
DEBRA BERLYN, Consumer Policy Consultant
ANN BOBECK, NAB
DIANE BURSTEIN, National Cable Telecommunications
ANNETTE CLECKNER, MCI
CINDY COX, Bell South
MICHAEL DELCASINO, AT&T Corporation
MIKE DUKE
SUSAN GRANT, National Consumers League
CARL HILLIARD, Consumer First, Inc.
DAVID HOROWITZ, Fight Back Foundation for Consumer
Education
SCOTT MARSHALL, CAC Designated Federal Officer
SUSAN PALMER-MAZRUI, Cingular Wireless
DAVID POEHLMAN
MARK PRANGER
K. DANE SNOWDEN, Chief, CGB
DONALD SNOOP, Hometown Online
BYRON ST. CLAIR, National Translator Association
LINDA WEST
ROBERT WENGER, Telecommunications Industry Association
ANDREA WILLIAMS, Cellular Telecommunications &
Internet Association

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P-R-O-C-E-E-D-I-N-G-S

9:04 a.m.

CHAIRPERSON ROOKER: Welcome. It's nice to see everyone. We're having some weather issues this morning. Larry Goldberg, who was supposed to do a presentation for us this morning on broadband, accessibility of broadband content, unfortunately is not going to make it out of Boston, so we're going to make some changes to the agenda somewhat. Instead of Larry presenting this morning, we're going to do part of the homeland security presentation this morning. Mike Duke will give us kind of an overview of some of the issues, and then they will continue after lunch, as scheduled, after the truth in billing panel.

In addition to that, Rebecca Ladew, unfortunately has broken her arm and is not going to be with us this morning. Sprint, very graciously, agreed to pick up her costs for this meeting, and that will be transferred to the November meeting. So we're going to send a card, I think, to Rebecca, and I'm going to send her an e-mail, as well. Yes, I think we have a card. We're going to pass a card around.

And I'm also going to pass around right now a list. I'd like everyone to sign the list, please, if you would. Just a few reminders. Be sure

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1 that when you want to speak, this is not because you
2 have to get permission from me, but I want you to
3 raise your hand so that the people in the control
4 booth can turn on your microphone. And then if you
5 would just give them a minute, just a little bit of
6 time to do that, and then state your name before you
7 speak. That will help us in doing the transcript, so
8 we'd appreciate that.

9 I'd like to thank some of our panel
10 participants. Verizon and AT&T, who, very generously,
11 have donated teleconferencing services to some of our
12 working groups, and Cingular for our excellent food
13 this morning. Yes, Mike Duke says the chocolate ones,
14 the chocolate-chocolate are wonderful. At any rate,
15 thank them. Also, to thank our working groups. I
16 have been so impressed with all that's been going on,
17 with the energy level and the ideas and the creativity
18 that's coming out of this panel, out of this committee
19 and out of the working groups I think has just been
20 very wonderful.

21 At any rate, so lots of things have been
22 going on. Be sure, as I said, sign the form. Dixie
23 Ziegler is going to be on the phone. Is Dixie with us
24 yet? Not yet. Okay. She'll be calling us.

25 At any rate, that's kind of some of the

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1 things. Before I turn it over to Scott for our
2 logistics and meeting places and all that sort of
3 stuff, I would like for us to go around the room and
4 just tell who you are and what organization you
5 represent because we do have a number of alternates
6 here today.

7 Susan Mazrui is coming, but unfortunately
8 her cab was late. So transportation is an issue for a
9 lot of people this morning. So we'll just start down
10 at this end with David.

11 MR. BRUGGER: David Brugger, Brugger
12 Consulting.

13 MS. RAGSDALE: Good morning. Joy
14 Ragsdale, NASUCA.

15 MR. BAKER: Good morning. Chris Baker
16 with AARP.

17 CHAIRPERSON ROOKER: And I am Shirley
18 Rooker with Call For Action. Scott?

19 MR. MARSHALL: And I'm Scott Marshall with
20 FCC.

21 MR. DUKE: I'm Mike Duke, International
22 Association of Audio Information Services and Radio
23 Amateurs.

24 MR. POEHLMAN: Morning. I'm David
25 Poehlman, and I plant apple seeds. And other than

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1 that, I'm with the American Council of the Blind.

2 MS. GRANT: Hi. Susan Grant with the
3 National Consumers League.

4 MR. HOROWITZ: Morning. I'm David
5 Horowitz with the Fight Back Foundation for Consumer
6 Education.

7 MS. WILLIAMS: Andrea Williams with CTIA,
8 the Wireless Association.

9 MR. GORDON: Good morning. Joe Gordon,
10 League for the Hard of Hearing.

11 MS. BOBECK: Hi. I'm Ann Bobeck from the
12 National Association of Broadcasters.

13 MS. BERLYN: Debra Berlyn, Consumer Policy
14 Consulting.

15 MR. SNOOP: I'm Don Snoop with Hometown
16 Online.

17 MR. ALLIBONE: Tom Allibone with LTC
18 Consulting and Teletruth.

19 MS. WEST: Linda West, Native American and
20 Rural America Issues.

21 MR. PRANGER: Mark Pranger, Academic
22 Issues.

23 MR. DELCASINO: Mike Delcasino, AT&T.

24 MR. HILLIARD: Carl Hilliard, Wireless
25 Consumers Alliance.

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1 MR. WENGER: Robert Wenger from Panasonic.

2 MS. BERKOWOTZ: Ann Berkowitz, Verizon.

3 MS. COX: Cindy Cox, Bell South.

4 MS. KELLY-FREY: Brenda Kelly-Frey,
5 National Association of Relay Administrators.

6 MS. CLECKNER: Annette Cleckner, MCI.

7 MR. ST. CLAIR: Byron St. Clair, National
8 Translators Association. And just so we don't confuse
9 people, we do re-broadcasting television and FM
10 signals in remote areas, no language translation.

11 CHAIRPERSON ROOKER: Thank you all for
12 being here. For the alternates, we welcome you. I
13 hope you'll find this an interesting and stimulating
14 day. Okay. The other order of business, I think, is
15 to turn this over to Scott, who will give us the
16 logistics on our meeting today.

17 MR. MARSHALL: Good morning, everyone.
18 Very importantly, for our new folks today, the
19 restrooms are right out the door to my right, down a
20 short corridor to your left, both mens and ladies
21 rooms. If you keep going straight down that corridor,
22 that is where three of the four working groups will be
23 meeting. The homeland security broadband and consumer
24 complaints and education groups will be meeting along
25 that corridor, and there is signage to direct you to

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1 the appropriate rooms.

2 Please let us know, as you've heard me
3 talk about in the past, we do have an interference
4 issue with having too many assistive listening devices
5 too close together. There's a much more fancy
6 technical explanation, but that's all I understand.
7 And I need to know if anyone in the breakout rooms
8 will be needing an assistive listening device. We can
9 have two of them going with two rooms equipped at
10 once, and we just need to know this information so we
11 can set that equipment up.

12 Anybody who will be needing an assistive
13 listening device in one of the breakout rooms? Not
14 here, not in the CMR, but in the other rooms? Yes,
15 Joe?

16 MR. GORDON: I'm raising my hand, Scott.

17 MR. MARSHALL: All right. Which one, Joe?

18 MR. GORDON: The homeland security.

19 MR. MARSHALL: Homeland. Okay.

20 MR. GORDON: Thank you.

21 MR. MARSHALL: All right. Jeff, homeland
22 security then for the assistive listening device.
23 And, also, in connection with all of that, please, you
24 know, when you're in your breakout groups, including
25 when you're in this room, if you could please speak

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1 into the microphones during the breakouts. Not only
2 will that allow us to get a CART transcript of what's
3 being said for those who need it right now in real-
4 time, it will allow us to provide the working group
5 chairs with an actual transcript of your breakout
6 session, which you can use for further work as you go
7 about developing your recommendations and so forth.

8 So I think that's it. And if I think of
9 anything else, I'll let Shirley know, and we'll talk
10 to you a little later. Thank you.

11 CHAIRPERSON ROOKER: Okay. Does anyone
12 here have any questions or concerns that they want to
13 talk about? All right. If not, then we are going to
14 have, I believe, Commissioner Copps is going to be
15 with us this morning, and Adelstein will be with us
16 this afternoon. That's the way it looks right now.

17 And I think then what we'll do is move on
18 to hear from Dane Snowden, who is Chief of the
19 Consumer and Governmental Affairs Bureau. And for the
20 alternates, just to let you know that Dane is our
21 biggest supporter and has been at, I think, every
22 meeting, except one when he had to attend to a loss in
23 his family. So Dane, welcome, good to have you here.

24 MR. SNOWDEN: Thank you very much,
25 Shirley. Commissioner Copps, unfortunately, will not,

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1 we just found out last night, will not be able to make
2 it. I'm not sure if he's having travel issues, as
3 well, but Commissioner Adelstein will be down later
4 this afternoon, we believe, provided there are no ?-
5 he's flying in from what I understand, so hopefully
6 he'll get in, as well.

7 When I heard you talk about Larry's
8 troubles, it reminded me once when I was in Boston. I
9 went to Boston for an overnight stay in the middle of
10 February, and I think it was '96, so we had the
11 blizzard of '96, and I was there for seven days. I
12 didn't have a change of clothes for seven days. I was
13 stuck in a hotel. It was 40-below outside. I didn't
14 know it could actually get to 40-below, but it did.
15 But I can't complain. We were staying at the Marriott
16 Copley Center. If anyone's been to Boston, it's a
17 very nice place connected to a mall, so I saw every
18 single movie that that theater showed twice, not just
19 once, twice. So I can relate to the weather issues.

20 And this is a fun time in Washington where
21 those of you who have hair, unlike myself, you will
22 get a lot of frizzy hair right now because of the
23 humidity going on.

24 I wanted to share with you some of the
25 things that are going on here, but, also, I wanted to

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1 pass on our best wishes to Rebecca for her injury, and
2 we will, of course, send our best wishes, as well, and
3 wish her a speedy recovery. And I also wanted to echo
4 something that Shirley said. As Scott gives me
5 regular updates of what's going on with the committee,
6 it seems to me that the working groups are working
7 exactly how we had envisioned them to come into being.
8 And so I want to thank you all for the time that you
9 all spend that you're not here in this building and on
10 your own time working on the various issues. So thank
11 you for that, and I know we're very excited for some
12 of the things that are coming out of the various
13 working groups.

14 Let me give you an update on some things
15 that have been coming through from our perspective. As
16 some of you know, and I know it's on your agenda to
17 discuss in more detail, we did receive a petition for
18 declaratory ruling from NASUCA on some truth in
19 billing issues, and we're going to, of course, you're
20 all going to look at that, we're going to look at
21 that. I think we just got a petition in, the oral
22 request in the other day to extend the reply comments
23 where the Commission is currently evaluating that now,
24 and we should have something out very shortly. But we
25 encourage you all to have a healthy debate on that

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1 particular issue. It is very helpful to us, as we
2 move forward. The truth in billing issues are always,
3 of course, very key to many of the things we do to
4 make sure consumers are in the loop.

5 Also, notice from your agenda that you're
6 talking about homeland security issues. And I think I
7 may have announced before, Chairman Powell has
8 announced that, he's not only announced, he's actually
9 implemented, we have an Office of Homeland Security
10 now in the Commission, in addition to our Homeland
11 Security Policy Council. The differences between the
12 two are, one, the Homeland Security Policy Council is
13 made up of senior members of every office in every
14 bureau. One of my deputies serves for me on that
15 policy council, and we discuss all homeland security
16 matters. And, of course, the Office of Homeland
17 Security is based in our enforcement bureau, and they
18 deal with the day-to-day activities of the agency's
19 homeland security affairs.

20 I know we, as a commission, have been
21 concentrating heavily on homeland security issues,
22 most notably our March 25th emergency communication
23 homeland security, working with this to build a
24 community summit that we had. It was very successful,
25 and it would not have been successful without members

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1 from CAC, so I thank many of you who participated in
2 that, not only in the planning but also who
3 participated in the activities of that particular day.

4 We also had a June 2nd Media Security
5 Reliability Council, or MSRC, as we call it, meeting
6 just a few weeks ago addressing homeland security
7 issues, looking at some captioning issues, and things
8 of that nature. As we all know, it's going to take
9 everyone inside this agency and outside this agency,
10 all of us working together to work on various homeland
11 security issues.

12 In terms of some of the positive things
13 that have been going on, I think, most notably for
14 this body here, the telecommunications relay services,
15 or the TRS item, we call it the mega item, that we
16 just got ordered. I guess it wasn't released yet
17 because we're still under sunshine, so I'm very
18 limited on what I can say about it. But in order that
19 you all, I know, participated in and gave us some good
20 comments and thoughts on various things that we should
21 do, and I appreciate that.

22 One of the things that we do plan to do is
23 to embark on an outreach campaign about
24 telecommunications relay services. That is one of the
25 things in the item that I can talk about, in terms of

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1 that we're going to do it. So that is coming down the
2 pike.

3 In terms of the item itself, the release
4 of the item is imminent, so the sunshine has not been
5 lifted yet, meaning, for some of you who are
6 alternates and may not be familiar with some of the
7 terms I'm using, we are barred from speaking publicly
8 about items until they are officially law. And it's
9 on its way of doing that. My staff is working on the
10 final edits of that particular item with the various
11 offices upstairs.

12 So we are moving forward, but one of the
13 things in particular we will move forward on that I
14 can share with you is that we will definitely have an
15 outreach strategy put in place to focus on the TRS
16 issues.

17 Speaking of outreach, as some of you know,
18 we have been traveling, I can't say that I was part of
19 it, but I've been to a couple of them, but many
20 members of the Commission staff have been traveling
21 around the country looking at localism issues, the
22 localism hearings that we're calling them. We held
23 one recently in South Dakota. In conjunction with the
24 South Dakota localism hearing, we also held our Indian
25 Telecommunications Initiative, or our ITI, Rapid City

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1 roundtable and workshop, which was very successful. We
2 will continue to reach out to tribal lands, as we
3 afford. In fact, many members of my staff are getting
4 back today from visiting with the Navajo tribe out in
5 Albuquerque for their big meeting.

6 And what we're doing, as we've explained
7 before, is trying to bring basic services and advanced
8 services to tribal lands and also throughout rural
9 communities throughout the country. We will also be
10 working, we are going to embark on a trip next week to
11 Tennessee to work with the Appalachian Regional
12 Commission, or ARC, on various issues, particularly
13 broadband issues. We want to make sure that broadband
14 gets out to all parts of our communities, not just the
15 urban areas but the rural areas, as well.

16 And in terms of our future outreach policy
17 and outreach goals and ideas, on the horizon, we are
18 going to be looking at digital television, the V chip,
19 broadband, and when I say broadband I mean
20 specifically as it relates to VOIP, and, of course, as
21 I mentioned earlier, TRS.

22 In terms of D-TV, I think you all have
23 talked about this some in your previous meetings. I
24 would encourage this body to continue to look at the
25 digital television transition that will take place in

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1 January 1st, 2007. It seems like a long way away. It
2 is not. People value, as we all know, I think, their
3 televisions and their telephones more than they value
4 anything else. They can have no air conditioning, but
5 as long as they have a television, they're happy. And
6 so this will be an issue coming down the pike, and we
7 encourage you all to look into it, as well. I, of
8 course, cannot direct this body to do that, but I can
9 strongly encourage.

10 Another issue, as I mentioned a moment
11 ago, in terms of our outreach is VOIP. We held a
12 solutions summit on disabilities issues last May 7th,
13 which was a follow-on to our 911 Solution Summit. We
14 will continue to do these ideas, the solutions
15 summits, as time rolls on, so that we can gather as
16 much information for the record as we roll out this
17 new technology of internet, IP-enabled services. It's
18 new and advancing. It's exciting. We're thrilled
19 about it, but we want to make sure we don't forget the
20 social obligations that we have, be it disabilities
21 issues, be it 911 issues, be it law enforcement and
22 CALEA issues, as we go forward.

23 And, of course, I would be remiss if I did
24 not mention local number portability, which took
25 effect nationwide May 24th. When I say nationwide, we

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1 insisted, and the law went into effect. The remaining
2 parts of the country that did not go into effect
3 November 24th would have local number portability come
4 May 24th.

5 Right now, since November 24th, we've seen
6 over three million consumers port their telephone
7 numbers. I'm sure Andrea probably has the latest
8 facts, and she can answer any questions on this issue
9 probably better than I can from the wireless
10 industries' point of view. But it is going as we had
11 anticipated. There were some glitches, there were
12 some hiccups, but the long and short of it is it's
13 going in the right direction, and we're thrilled about
14 it.

15 One of the issues that did come out of the
16 LNP debate is various states have waivers before them
17 right now, basically from smaller carriers, asking not
18 to have to port telephone numbers for a little while.
19 And our position on it is that we want consumers to
20 have the freedom, we want consumers to have the
21 choice. I have sent a letter to the president of the
22 National Association of State Regulatory Utility
23 Commissioners, NARUC, reiterating our point. They are
24 in their domain to make the jurisdictional decisions
25 on what they want to do with the waivers. It's not

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1 before us, our commission, but it's before the various
2 state commissions. I believe about 600 waivers that
3 are out there right now.

4 It is our position that we do want to make
5 sure that the law is followed, and the consumers can
6 have a choice in these matters as we go forward. So
7 the jury is still out on that, and the state
8 commissions are working through it, and we're working
9 hand-in-hand with the state commissions as they debate
10 some of these issues internally among the states.

11 With that, I'll be happy to answer any
12 questions you all might have. And I see one over here
13 to my right. David?

14 MR. POEHLMAN: Oh, goody, I get to go
15 first. Dave Poehlman with the American Council of the
16 Blind. Dane, thank you for the update. It's very
17 interesting, and I see that things have been very
18 busy, and they're going to continue to be busy for
19 quite some time to come. I had the opportunity,
20 luckily, to observe the entire proceeding of the VOIP
21 Summit or SOIP Summit, as it later became to be
22 called, and I noticed that you mentioned VOIP as being
23 on your agenda and as a follow-through and activity
24 involvement. Would it be more appropriate to actually
25 designate this process as service over IP, considering

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1 the summit and also considering the activity that's
2 going on in the area? And I only mention that because
3 there are going to be some issues that are going to be
4 combinative, such as video and voice-over IP in
5 combination, various other, you know, types of things
6 that are going to be delivered as an OIP kind of
7 process. Those will be issues that will be carried
8 forward. That was sort of a side-long question.

9 MR. SNOWDEN: I think it's a very good
10 question, and I'm probably remiss in calling it VOIP.
11 We're trying to start calling it IP-enabled services
12 because, to your point, you're exactly right. There
13 are many things that are going over the internet, not
14 just voice. There's voice, data, and so I agree with
15 you. It should be called IP-enabled services, and
16 that is what the Commission is ?- and another thing,
17 the general nomenclature is beginning to develop
18 around this as IP-enabled services.

19 I saw a question over here?

20 MR. SNOOP: Am I on?

21 MR. SNOWDEN: Yes.

22 MR. SNOOP: One of the questions I've got
23 is on the digital TV transition. Being in the video
24 business for a number of years, I'm very familiar with
25 the transition that took place from black and white to

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1 color. Different situation because of the fact that a
2 color set could also receive the black and white
3 signals. Once we shut off the over-air analog
4 signals, somebody with an older TV set is going to be
5 forced to either have a new digital TV or some form of
6 digital TV tuner box. What's your thought on the
7 transition for those people that are not the early
8 adapters and don't want to adapt at all?

9 MR. SNOWDEN: That is one of the reasons
10 why we are starting, we the Commission are starting
11 now in 2004 to look at these particular issues and
12 reaching out to various consumers. Right now, 80
13 percent of Americans receive their television through
14 cable, it's 80 and growing, so when you look at it,
15 you're looking at 20 percent that we need to look at,
16 particularly those that are seniors. And so we need
17 to work with our colleagues over at AARP to get some
18 guidance from them as we move forward. And it's also
19 more and more shows are becoming, having digital
20 programming in place, and I think more and more people
21 are beginning to enjoy it.

22 We are under congressional mandate. This
23 has to happen. And so we're looking at it from two
24 points of view. One, we have to fulfill Congress'
25 wishes; and, two, we have to make sure that, as we do

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1 that, we bring people along. And, again, any guidance
2 this body can bring to us, the Commission, will be
3 greatly welcome. We do plan to embark on an
4 aggressive outreach strategy for digital television.
5 We know the set boxes right now are a little bit
6 expensive, as our the televisions. But as the kinds
7 of scale begin to take effect, those prices will begin
8 to come down as more and more people either sign up
9 for cable or just buy the television outright and can
10 do that.

11 It is a debate. One of the things that we
12 are, in our media bureau, who's tracking this more
13 closely than I am, they are looking at the cut-off,
14 the cut rates. When do we cut, where do we cut? Will
15 it be a national cut? Which it, most likely, will not
16 be. So we're looking at various issues regarding the
17 question you just raised.

18 MR. SNOOP: I've got a follow-up question,
19 also, because it probably ties in to what Ann is going
20 to be asking about, dual must-carry. Do you see that
21 as becoming an issue, where you'll have to be able to
22 carry both the analog and digital signal?

23 MR. SNOWDEN: I'm going to pass on that
24 one and leave it to my colleagues in the media bureau.
25 Susan?

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1 CHAIRPERSON ROOKER: I think Susan. Susan
2 and then David. And Ann, was your question a follow-
3 up?

4 MS. BOBECK: Actually, just a follow-up
5 that there is a current proceeding for the Commission
6 and a public notice inquiry asking who, and the magic
7 number is the last 15 percent that aren't hooked up
8 via cable or satellite, who are those people, and it's
9 a broad question because, quite frankly, the data is
10 not very good out there right now, and the Commission
11 is asking who are the last 15 percent and how do we
12 get them moving along in the transition and make sure
13 that they're not left behind. So I encourage you to
14 watch that proceeding. And if you have any
15 information, especially on who the people are with
16 respect to disability consumers, please chime in. I
17 think this is the most appropriate time for that.

18 MR. SNOWDEN: I would actually add to Ann.
19 Not only watch it but comment on it.

20 CHAIRPERSON ROOKER: Oh, that's an
21 excellent suggestion. I like the idea of the
22 committee becoming involved in this issue. Susan?

23 MS. GRANT: Thank you. Getting back to
24 VOIP or IP-enabled services or whatever we want to
25 call it --

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1 MR. SNOWDEN: I got us off on the wrong
2 track.

3 MS. GRANT: That's right. I just want to
4 take this opportunity to announce that the National
5 Consumers League hopes to have a one-day forum on the
6 issue in early September, looking at it from the
7 consumer perspective. We'll be reaching out to the
8 FCC for their involvement as speakers and participants
9 and also to the other members of the council. If
10 anyone is interested in learning more about that,
11 please don't hesitate to talk to me. Thanks.

12 MR. SNOWDEN: Thanks, Susan. We look
13 forward to it.

14 CHAIRPERSON ROOKER: I think David was
15 next.

16 MR. HOROWITZ: David Horowitz from the
17 Fight Back Foundation for Consumer Education. One of
18 the things that's come up is we've been getting a lot
19 of complaints about phone number portability. In
20 fact, I've had some complaints about it. And that is
21 that the companies that are doing this are not really
22 giving you any specific time where this portability
23 will turn over. In other words, it took me seven days
24 to get from one cell phone company to the other. For
25 those seven days, I had no, I had absolutely no use of

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1 one cell phone and, of course, my other one didn't
2 work either. After that was done, the phone that was
3 given to me and the portability took place, I was
4 given a 30-day guarantee, and I'm bringing this up for
5 a reason because I think it's something that we have
6 to look at, and I had to bring the phone back because
7 it wasn't working, and they refused to give me back my
8 number until the bill was paid, which shouldn't have
9 been assessed against me because it was part of the
10 guarantee. And it took almost a month to get my phone
11 number back. And what they were using is, basically,
12 holding us hostage because there was a difference of
13 opinion about what was happening with the bill that
14 was due, and they were using the portability as,
15 basically, a way to say, "You either pay up, or we
16 don't give you back your phone number."

17 Now, I work with Susan Mazrui on this case
18 since it was her company that did this, and we
19 straightened it out. But what I find is more and more
20 complaints about how much time, David, should it take
21 for us to get our number changed? How much time
22 should it get before we get our number back? Can they
23 hold us and not give us our number back because of
24 financial issues? Well, we found out through the
25 Commission that it is against Commission regulations

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1 to do this, but how are we going to let the public
2 know, first of all, the amount of time that's decent,
3 or I don't want to say legal because you can't legally
4 do it, but decent to change over from one number to
5 another and what can they do about not returning your
6 number to you if, in fact, there's a billing
7 complaint?

8 MR. SNOWDEN: A couple of things. I would
9 imagine, and I'm going on a lark here, you probably
10 ported your number shortly after November or began to
11 port your number?

12 MR. HOROWITZ: No, this was after the
13 first of the year.

14 MR. SNOWDEN: Exactly. So November,
15 December, January.

16 MR. HOROWITZ: Right.

17 MR. SNOWDEN: The industry was having some
18 challenges. That's when we noticed the biggest bulk
19 of delays in porting telephone numbers. They have
20 significantly improved that to where it was before. It
21 was two or three days, on average, of porting
22 telephone numbers. Now it's down to about two hours,
23 which is what the industry said it would be when they
24 thought they could do it on November 24th. So the
25 industry has worked to get that down. I don't speak

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1 for the industry, of course. There are many members
2 here who could probably articulate better than I can
3 or probably want to on this particular issue, as well.
4 But while I have the floor, one of the issues that we
5 have raised with the industry when this was going on,
6 we also met with the wireless industry regularly
7 during those months. At one point, we were on
8 conference calls with them every single week going
9 over this: what are the problems, why can't this get
10 done faster? And it's gotten done faster.

11 What we've seen in the next wave, the May
12 24th deadline, is not the same issues that we saw and
13 to the same degree that we saw the November deadline,
14 which is why we separated the two. We wanted the
15 higher markets to do it first, so the rural markets
16 can learn from what we learned in the top 100 MSAs.

17 What I would encourage you to do and
18 others to do, and to answer your question of what do
19 you do, is to file a complaint with the FCC. If
20 there's a question about your bill, I have a wonderful
21 group of individuals who do nothing but answer those
22 complaints, and they call the Cingulars, the AT&Ts,
23 the MCIs, the wireless industry, the box, etcetera, to
24 work through these various issues.

25 Martha Contee, Martha raise your hand for

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1 a second. Martha Contee of my staff, who actually
2 happens to be down here, she is the individual who
3 runs that division for me, and they do a very good
4 job. We handle over a million calls a year with
5 complaints.

6 MR. HOROWITZ: But, you know, I think it's
7 also important to post this on our web site.

8 MR. SNOWDEN: Well, we have posted it,
9 David. We have posted all this information. We have
10 actually released our complaint numbers and the
11 trends. For six months we did that, up until May
12 24th, explaining what the delays were. I know
13 Chairman Powell himself did an entire media tour on
14 this particular issue, on the local number portability
15 particular issue, what are some of the challenges that
16 we saw down the road. I've done several media
17 interviews. The wireless industry has done many,
18 they've reached out to the media, as well, on these
19 particular matters. And we've received complaints, so
20 people do know to call our 1-877-CALL-FCC number.

21 MR. HOROWITZ: And I'm aware of that, but
22 my concern here is that when these phones are sold,
23 when these phones are sold from the representatives of
24 the company, that they give you false dates, they give
25 you false information. And to tell someone that you

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1 can't get your number back until you take care of your
2 bill and then we'll take care of the number after we
3 clear your bill is clearly what I consider to be, it's
4 against the regulations, one; and, two, the companies
5 should be able to be aware of the fact, which we can
6 discuss, that the people who are selling these phones
7 should be letting people know what the proper
8 information is and not trying to use scare tactics in
9 order to prevent them from getting back their number
10 until bill disputes are settled.

11 MR. SNOWDEN: Well, I don't think anybody
12 would disagree with you.

13 CHAIRPERSON ROOKER: Andrea, you wanted to
14 respond to that, I believe.

15 MS. WILLIAMS: This is Andrea Williams
16 from CTIA. In terms of wireless local number
17 portability, yes, we did have some significant
18 challenges and glitches when we first started, and I'm
19 glad to say that we are now down to a level where, as
20 Dane mentioned, two hours. Some cases may go longer
21 than that. It has been a very trying experience,
22 shall we say, but we're going to get through this.
23 What the industry has been doing is we even have an
24 acceleration in terms of, if there is a problem,
25 you're talking about, you know, inter-carrier

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1 cooperation between wireless-to-wireless. We've got
2 that pretty much under control. We're still having
3 little problems with wireline to wireless porting.

4 What we have done is set up what I call a
5 sort of crisis situation, working with the FCC, for
6 example, and we worked very closely with Martha. When
7 complaints come in, I think, as Martha has often told
8 me, you'll find that, in terms of wireless carriers,
9 we generally will resolve those complaints within 30
10 days, in terms of turnaround. There are some that go
11 longer, but very few.

12 Now, in terms of the billing issues, yes,
13 we realize that there were going to be some billing
14 issues because of the fall-out from LNP. And the way
15 it's being timed, billing doesn't hit until almost 60
16 in some cases and maybe 90 days. So now we're seeing
17 implementation of the LNP, and now we're seeing the
18 other half of this, what I call the phase-two of the
19 billing issues. And it's going to take some time, I
20 know, to work those things through.

21 You know, David, people who know me, I
22 always say, you know, "We're going to get there."
23 Yes, there are going to be some challenges along the
24 way, but the only thing we can ask you is to please,
25 you know, the best thing that consumers can do is to

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1 contact their carrier. If you're still having
2 problems escalating within that company, even when you
3 file a complaint with the FCC, Martha picks up the
4 phone and calls immediately. She doesn't even wait.
5 Well, some of my members call Martha, and they don't
6 wait until they get the complaint. We have that type
7 of relationship because the goal here is we want those
8 subscribers, particularly the ones coming from
9 wireline to wireless.

10 CHAIRPERSON ROOKER: I think what we're
11 hearing here is an issue that is dwindling, and we're
12 seeing the end of it. That's great. Joe, I think you
13 were next.

14 MR. GORDON: Larry Goldberg is not here,
15 and I have a feeling he would ask a question about
16 digital TV. There have been many complaints to me by
17 consumers and I believe to the captioning companies
18 that digital TV lacks in providing closed captioning,
19 as opposed to analog TV, which has been doing it for
20 many years. There have been many complaints filed, I
21 believe, and 2007 is right around the corner, as
22 you're saying. Would it be possible for the
23 Commission to send out a reminder? Is that something
24 that you do to the cable TV companies, making sure
25 that they have digital TV provide closed captioning

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1 similar to the way they do it in analog? Because
2 another deadline is coming, January 1st, 2006, when
3 all new TV programs should be closed caption, both
4 analog and digital. Thank you.

5 MR. SNOWDEN: I think it's a great
6 question. We just sent out a notice reminding everyone
7 of the rules. I want to say it was two weeks ago or
8 three weeks ago. I'm looking at my legal advisor.
9 Three weeks ago on that, and we will periodically do
10 that as time moves on.

11 MR. GORDON: Is that notice on the web
12 site? Would I be able to find it?

13 MR. SNOWDEN: It should be. If it's not,
14 we'll make sure you guys get a copy.

15 MR. GORDON: Thank you.

16 MS. BOBECK: Just a quick follow-up.
17 Industry is aware that there are some technical
18 glitches, especially when it comes to live HD feeds
19 and digital closed captioning. I just literally got
20 three phone calls last week saying, "My equipment is
21 having problems, and my manufacturer can't commit to a
22 six-month or even a six-day fix." So I do know that
23 there are technical issues out there because we
24 format, in digital television there are multiple
25 formats, whether standard, enhanced, or high

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1 definition. So it's been brought to our attention
2 recently, and rest assured we'll start to work with
3 industry to solve those problems.

4 MR. GORDON: Is that why Scott put us both
5 next to each other?

6 (Laughter.)

7 MR. SNOWDEN: I'm starting to notice Scott
8 did a great job with the pairing, as well. Actually,
9 you're between that industry right now.

10 MS. BERLYN: Debra Berlyn, Consumer Policy
11 Consulting. I didn't want to let this morning go by
12 without at least one mentioning an issue that's been
13 in the headlines quite a bit lately, and that's the DC
14 Circuit Court's decision on local competition.

15 MR. SNOWDEN: Thought I could get out of
16 here without that.

17 (Laughter.)

18 MS. BERLYN: Now that the FCC's rules have
19 been rejected by the court and it looks like that's
20 going to stand, can you give us some insight as to
21 what the process will be at the FCC for writing new
22 rules?

23 MR. SNOWDEN: You know, I debated if I
24 wanted to talk about this at all, and the better part
25 of me said, "Why would you ever want to talk about the

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1 TRO?" To answer your question, let me first say that
2 it is our top priority, and the Chairman has said this
3 repeatedly, to ensure that consumers do not experience
4 any disruption whatsoever in their service, and so we
5 are working, that's our bright line, as we go forward.

6 What we are in the process of promptly
7 trying to write the rules now. As some of you who may
8 not be following the TRO as closely as many of us here
9 at the Commission, when the Solicitor General decided
10 not to appeal the DC Circuit's decision, a lot of
11 things have to take place, and we are working very
12 quickly to get things up and running. This is a
13 collective effort by everybody at the Commission. The
14 Eighth Floor is extremely busy working on these
15 various issues, as are my colleagues in the wireline
16 competition bureau. So I will leave it at that. This
17 is a matter before another bureau, but our goal, as I
18 said before, in terms of our priorities, is to ensure
19 that consumers are not experiencing disruption, and we
20 believe that will be the case. It all comes down to,
21 in our eyes, the Commission's eyes, we want to make
22 sure there's fair and sustainable competition in the
23 marketplace, and that's what this is all about. I'll
24 have to pay you back for that one, Debra.

25 CHAIRPERSON ROOKER: He'll get you Debra.

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1 Thank you so much, Dane, for being with us and taking
2 the time to spend with us this morning. We had some
3 very interesting questions for you.

4 MR. SNOWDEN: Thank you very much.

5 CHAIRPERSON ROOKER: Sorry about that last
6 one.

7 MR. SNOWDEN: Have a great meeting. Thank
8 you all.

9 CHAIRPERSON ROOKER: Thank you.

10 (Applause.)

11 CHAIRPERSON ROOKER: Now, as I indicated
12 earlier, Larry Goldberg is somewhere in Boston,
13 certainly not on his way to Washington. And Mike Duke
14 of the homeland security working group is going to
15 give us an overview of some of the issues. You were
16 e-mailed a set of, kind of a summary of the Homeland
17 Summit, so I'm hoping that you had a chance to look at
18 those. At any rate, I'm going to turn the floor over
19 to Mike. He will brief us for 15 minutes. We'll take
20 our two-hour working group session. We'll come back
21 here for lunch, and then he will, after lunch, the
22 first issue we'll have is the truth in billing, and
23 then Mike and his group will finish the homeland
24 security issues. So Mike Duke?

25 MR. DUKE: Good morning and thank you.

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1 Part of this is being flexible, right? I don't think
2 there's any question in anyone's mind that September
3 11th, 2001 created a new phrase for our language. It
4 had kind of always been there under various names,
5 such as civil defense, and some of us will admit to
6 remembering the old system and things like that. But
7 we now call it homeland security.

8 In addition to having a federal government
9 agency or Office of Homeland Security, numerous
10 government agencies, including the Federal
11 Communications Commission, which, of course, is our
12 focus, have offices of homeland security.

13 There was a summit held on Thursday, March
14 25th, which was the day prior to our last meeting, and
15 this summit held in this very room, I think, was for
16 homeland security communications issues as they relate
17 to people with disabilities. Commissioner Snowden was
18 there and some other commissioners, and there were
19 various other presentations throughout the day.

20 There are more than 50 million citizens of
21 this country who have some type of disability. And
22 what we, as the homeland security workgroup within
23 this committee and what the committee as a whole,
24 anybody working with homeland security issues must
25 remember is that we have to think in terms of what

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1 will work, how to get messages to these different
2 disabilities.

3 What works for David Poehlman or myself as
4 a blind person won't work for people who have severe
5 hearing loss or who are deaf or who have a combination
6 of various disabilities in terms of getting messages
7 to them. We also have issues that this group won't
8 work with so much, but there are issues of getting
9 people with disabilities to evacuation shelters and
10 that type of thing. Now, the Red Cross is doing a
11 really good job of signing on to work with that type
12 of issue. And to their credit, they were beginning to
13 do that long before September 11th, 2001. So they've
14 got a running start, and I'm sure some other non-
15 profits and other agencies even, you know, have some
16 things in that area.

17 Our focus is going to be, of course,
18 primarily communications-related issues. How do we,
19 how do we get what could potentially be life-saving
20 communications out to the people who, for whatever
21 reason, are not able to simply turn on a television
22 and pick up that information? It's a pretty complex
23 issue.

24 If you've read anything at all about the
25 activities, particularly in the New York City area

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1 after the towers fell, most of the television and a
2 number of the radio transmitters and a number of the
3 cellular telephone transmitters in that area went down
4 with the World Trade Center. So their primary means
5 of communications was lost. And so this is something
6 that won't be solved certainly by one panel this
7 afternoon.

8 What I would encourage everyone to do is,
9 if you haven't had a chance to do it yet, look over
10 the information. If it accidentally got under your
11 delete key, let me know and I'll send it to you again.

12 Look through the summaries of this Homeland Security
13 Summit. Look at the ideas and the issues that were
14 raised and discussed there. Develop any thoughts on
15 those that you have or anything that you feel is
16 relevant that our homeland security working group
17 needs to address, and please communicate them to me so
18 that I can pass them along to the working group.

19 It is our intent, indeed our hope that,
20 for the November meeting, we can come forth with some
21 form of representation. I don't expect us to solve
22 every issue. It would be great if we could. We could
23 all get jobs, and they could pay us the big bucks,
24 right? But the point is we are in a position to offer
25 suggestions and recommendations to the FCC through

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1 this committee. The FCC, basically, has said this is
2 a priority. So we have their ear. Let's not waste
3 the opportunity.

4 In preparation for the panel this
5 afternoon, we drew heavily on material supplied to us
6 by Joe Gordon, thanks to the Northern Virginia
7 Resource Center for the Hard of Hearing; is that the
8 correct title? Okay. And he will have some more
9 things to say about that this afternoon. Also,
10 joining Joe and myself on the panel this afternoon
11 will be Claude Stout, Brenda Kelly-Frey. Rebecca
12 Ladew was planning to participate. As has already
13 been mentioned, due to an accident, she will not be
14 able to make it in. I was telling Scott earlier that
15 she makes some of the most effective use of e-mail I
16 think I've ever seen, so rest assured that she has
17 been and continues to contribute to this effort, as it
18 is also very important to her.

19 That really is sort of an overview and
20 really pretty much the introduction that I would be
21 giving this afternoon. Again, I cannot say it enough.
22 If you have ideas, concerns, please communicate them
23 to us. And if it's things that we've already thought
24 about it, then that simply confirms to us that we're
25 on the right track. The odds are good that it's items

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1 that we have not yet even considered.

2 Our mission is a bit complicated by the
3 fact, as I said earlier, what works for one does not
4 work for all, and that's the unique thing about the
5 disabilities issue. There's so many avenues that you
6 have to cover. Homeland security and this type of
7 accessibility extends beyond the Federal
8 Communications Commission. It's addressed in the, the
9 accessibility issues are addressed in the Americans
10 for Disabilities Act. So there are any number of
11 reasons, legal reasons for having this type of
12 approach and this type of discussion as they relate to
13 this committee.

14 I look forward to working with the group.
15 I have an excellent group of participants in the
16 homeland security working group, and I thank everyone
17 who has participated and look forward to working with
18 you between now and November to see this project
19 develop and grow, as I'm sure it will.

20 CHAIRPERSON ROOKER: Mike, thank you so
21 much. He will be reporting later. We'll be talking
22 about some more and some of the content.

23 MR. DUKE: Some of the specific issues.

24 CHAIRPERSON ROOKER: Right. This
25 afternoon. But I do encourage you, it is a rather

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1 lengthy, but it's a summary of the speakers at the
2 Homeland Security Disabilities Summit. It's really
3 well worth reading. They've done an excellent job of
4 distilling the remarks, so you don't have to wade
5 through a lot, but it's worth looking at. Does anyone
6 not have access to a copy of it?

7 MR. DUKE: If you really want the entire
8 remarks, I'm sure Scott can ?-

9 CHAIRPERSON ROOKER: Take the summary.

10 MR. DUKE: But the summary is what I'm
11 working with. I have read the others, but the summary
12 is quite good.

13 CHAIRPERSON ROOKER: Yes.

14 MS. GRANT: I just want to say that
15 whoever did the summary did a great job. For those of
16 us who weren't directly involved, it was very, very
17 helpful.

18 CHAIRPERSON ROOKER: Well, I think, unless
19 you have some questions for Mike that can't wait until
20 this afternoon, we can take a brief break and then
21 head for your breakout rooms. They are all down the
22 hall on the left and right. I believe there are signs
23 in the windows or on the door telling you where to go.

24 And any other questions or comments before we do
25 that? Okay. We'll see you back here at noon for

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1 lunch. Is there a question? No. I'll see you back
2 here at noon for lunch, and then we will resume our
3 presentations at 1:00. Thank you very much everyone.

4 (Whereupon, the foregoing matter went off
5 the record at 9:57 a.m. and resumed at 1:00 p.m.)

6 CHAIRPERSON ROOKER: Good afternoon,
7 everyone. If we could take our chairs? We've got a
8 busy agenda. Before we get started with our panelists
9 that Joy Ragsdale has put together for us, I would
10 like for you to hear from Louis Sigoulos, who is the
11 head of the Consumer Affairs and the Outreach.
12 Committee chair? What?

13 MR. SIGOULOS: I'm Chief of the Consumer
14 Affairs and Outreach Division.

15 CHAIRPERSON ROOKER: Division. He is
16 going to briefly talk about something that we are
17 going to pass out documents to you, I believe. Is
18 that correct?

19 MR. SIGOULOS: That is correct.

20 CHAIRPERSON ROOKER: Here we go. Let's
21 get you hooked up here.

22 MR. SIGOULOS: This will just take one
23 moment. Thank you for the brief opportunity here. We
24 will be working, especially through the subcommittee,
25 with Joy and Debra to put together a fact sheet that

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1 was tailored to consumer affairs personnel to deal
2 with the public that have issues that they need to get
3 with us on.

4 We have got a lot of feedback. We have
5 the latest iteration. I wanted to get that around to
6 everyone today. If you have any further feedback,
7 please go through Debra or Joy. They will get them to
8 us, and we will take care of it.

9 We have it in floppy, CD, in or hard copy.
10 We removed all of the formatting and graphics because
11 we just want to get the content right. So I was going
12 to distribute this to you now for you to look at it
13 going forward. If you get those back to us, we really
14 want to get this thing finished.

15 Thank you very much for the opportunity to
16 say that.

17 CHAIRPERSON ROOKER: One question. How
18 are we going to get the documents back to you? How do
19 you want us to communicate to you?

20 MS. BERLYN: This is Debra Berlyn. We'll
21 get them back. Joy and I will get them back to Louis
22 and his staff.

23 CHAIRPERSON ROOKER: Okay. So we should
24 turn the documents over to either you or Joy?

25 MS. BERLYN: Yes. Just e-mail.

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1 CHAIRPERSON ROOKER: E-mail you our
2 comments?

3 MS. BERLYN: Joy and myself. Why don't
4 you e-mail both of us? And that way we'll both be
5 kept --

6 CHAIRPERSON ROOKER: Okay. Is everyone
7 clear on that? All right. Well, we'll pass those out
8 right now.

9 Susan Grant?

10 MS. GRANT: Two things. Could we get this
11 in the electronic form? And could we set a deadline
12 for getting back? It might be helpful.

13 CHAIRPERSON ROOKER: Okay. Louis, do you
14 want to answer that?

15 MR. SIGOULOS: Absolutely, we can get that
16 in electronic form. And I would love a deadline to
17 get it back, but I don't think I will set that one.

18 CHAIRPERSON ROOKER: Debra?

19 MS. BERLYN: I think it is really now
20 dependant on this Committee to get some feedback so
21 that they can turn it around. So a deadline for all
22 of you would be helpful. If you could take a look at
23 it and within perhaps the next two weeks get your
24 suggestions to Joy and myself, that would be very
25 helpful.

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1 CHAIRPERSON ROOKER: Okay. Then would it
2 be reasonable for us, then, to say that we all wanted
3 this in electronic form and we can just e-mail it to
4 the whole Committee? Would that be better? Okay.

5 MR. POEHLMAN: With the information as to
6 where to send responses.

7 CHAIRPERSON ROOKER: Right. We'll work
8 the logistics on that. Two weeks. Debra suggested
9 that you within two weeks get it back.

10 MS. BERLYN: Put a deadline in there.

11 CHAIRPERSON ROOKER: Right. And who will
12 we be sending it back to? So we can send the e-mails
13 out under your names so we can just reply? All right.

14 Does that work? Thank you, Louis. Scott will send
15 it out. And then he can distribute the answers. That
16 will be easier.

17 Also, just to let you know, there is a
18 card for Rebecca Ladew making the rounds. I hope you
19 will pass it down to the end and then pass it back
20 because some of you haven't signed it because you
21 weren't at the table. We signed it during lunch. So
22 if you would do that, please? Thank you so much.

23 Now it gives me great pleasure to turn the
24 program over to Joy Ragsdale, our diligent chair of
25 one of our working groups. And we are going to talk

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1 about truth in billing. Is that right? Yes, it is.
2 I'm right for a change. Thank you so much.

3 Joy, I'm going to let you take it from
4 here.

5 MODERATOR RAGSDALE: Thank you.

6 PANEL DISCUSSION:

7 UPDATE ON TRUTH IN BILLING ISSUES

8 MODERATOR RAGSDALE: Good afternoon. My
9 name is Joy Ragsdale. And, again, I am representing
10 NASUCA.

11 I on my far left, far, far left have
12 representing NARUC Commissioner Max Curran, who is
13 with the Maryland Public Service Commission.

14 And to his right is Mike Altschul, who is
15 a colleague of our co-member Andrea Williams. And he
16 is representing CTIA.

17 Seated next to him is Robin Tuttle. Robin
18 is with USTA.

19 And sitting here to my immediate left is a
20 co-member and colleague of mine with NASUCA, Patrick
21 Pearlman, who is with the West Virginia Office of
22 Consumer Counsel. They are also located in the Public
23 Service Commission office in West Virginia.

24 Some time ago our member group decided
25 that it was necessary to discuss truth in billing

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1 issues and that we wanted to submit recommendations to
2 the overall consumer Advisory Committee but felt that
3 there was a need to educate the whole panel first
4 before we could make recommendations, hopefully in
5 November.

6 But what we have found is that amongst
7 ourselves, we have not been able to come up with a
8 consensus. There are so many diverse perspectives
9 representing the consumers and also industry.

10 So we have assembled a panel today to give
11 you as broad a perspective as we can representing
12 various industry and consumer interests and
13 perspectives and concerns on the truth in billing
14 issue.

15 You may know -- and I have forwarded to
16 the Committee that NASUCA filed a petition that is now
17 pending before the FCC, and the FCC has put this
18 petition out for comment. And we have with us the
19 drafter of NASUCA's petition. So feel free to ask him
20 all the questions that you believe you need to have
21 answered.

22 So, with that, also in your folders today
23 you will find a full description and outline and
24 biographies of the panelists that we have with us here
25 today.

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1 I will open up the first question and
2 direct it to Patrick Pearlman, representing NASUCA.
3 Just to give you a little background, we had submitted
4 the questions to the panelists in advance so that they
5 can prepare. Then we will open up the balance of our
6 time to general questions and answers from the rest of
7 the Committee members.

8 The first question we would like to ask
9 is, in 1999, the FCC adopted broad binding truth in
10 billing guidelines and principles to assure consumers
11 have sufficient information to make informed
12 decisions.

13 My question I would like to pose to
14 Patrick is whether he believes that they have been
15 sufficiently implemented today and if he could explain
16 his answer.

17 MR. PEARLMAN: Sure. Thank you. And
18 thank you to the Committee for inviting me to speak
19 today regarding truth in billing.

20 I think the brief answer -- and I
21 understand we have a brief period of time to respond
22 to the questions -- both as a member of the West
23 Virginia Consumer Advocates Division and as a member
24 of NASUCA, which has filed the petition that Joy
25 referred to, is no. The truth in billing order has

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1 not been sufficient to constrain what we believe are
2 anti-competitive, anti-consumer practices on the part
3 of inter-exchange carriers and wireless carriers, in
4 particular.

5 It has certainly been an improvement. And
6 there are certainly aspects of utility practices that
7 have improved over time. Certainly it is a good thing
8 that carrier or service provider contact information
9 appears on monthly bills for service.

10 It is generally a good thing that bills
11 have the separate items that go into what makes up
12 your monthly bill spelled out with some explanatory
13 detail provided. However, if you have read NASUCA's
14 petition, which was filed on March 30th, there is
15 certainly room for improvement and, in fact, I would
16 say, room for rather drastic improvement in
17 constraining practices that frustrate consumers, that
18 stymie consumers' ability to price shop between
19 carriers to determine which carriers best fit their
20 needs, how much they are actually going to pay for
21 service when they sign up for service, and what those
22 charges actually relate to.

23 So, generally speaking, it would be our
24 position, it is our position -- and I think it is the
25 right position -- that the truth in billing order

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1 needs to go further than it did.

2 As some of you may know, the 1999 order
3 left certain aspects, such as standardized labels, to
4 be addressed in an industry forum, to be negotiated,
5 if you will, and that hasn't happened.

6 Certainly other aspects of I think the
7 practices that the commission was attempting to
8 address have gotten worse in some respects and the
9 monthly surcharges and line items that are the subject
10 of NASUCA's petition are a good example; in fact, a
11 prime example of where the truth in billing order has
12 not realized the pro-competitive, pro-consumer goals
13 that the commission identified in that order.

14 MODERATOR RAGSDALE: Robin, would you like
15 to respond?

16 MS. TUTTLE: Sure. USTA does believe that
17 the guidelines are working well. Our members, which
18 are primarily wire line local exchange carriers, are
19 not experiencing many billing problems. But when
20 isolated complaints do arise, they are handled.

21 So we do not believe regulations are
22 needed in lieu of guidelines at this time.

23 MODERATOR RAGSDALE: Commissioner Curran,
24 would you like to respond?

25 MR. CURRAN: And I'm going to say an

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1 answer I think that will satisfy both Robin and
2 Patrick. The short answer is yes. In Maryland, we
3 have experienced that when we have issued regulations
4 that were not as comprehensive as the guidelines in
5 the truth in billing order, we have seen a marked
6 decline of the last few years in slanting and
7 examining complaints that were the impetus for the
8 truth in billing order to begin with.

9 Patrick makes an important point that you
10 want to make sure the consumers have the quality of
11 information they need to make an informed decision,
12 but what we found is really through the growth in
13 competition in the State of Maryland with the
14 competitive pressures on the industry to make sure
15 that they are being as consumer-friendly as possible,
16 we have, quite frankly, since 1999 seen a marked
17 decline in the number of complaints that we receive.

18 We don't even regulate the wireless
19 industry, but we receive about 50 complaints on the
20 wireless side. Our attorney general, who does
21 regulate the wireless industry, gets about 100
22 complaints. But most of those are resolved at the
23 level of our Office of External Relations, our staff
24 level.

25 Having said that, we have found that the

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1 regulations that we have in place seem to have made a
2 difference. Yes, the guidelines may have made a
3 difference, but we think that the regulations that
4 Maryland has in place that mirror some aspect of those
5 truth in billing guidelines have been of assistance,
6 certainly assistance to the folks at the agency that
7 have to enforce these regulations. We have about 15
8 consumer advocates that take consumer complaint
9 resolvers at the commission in our Office of External
10 Relations.

11 Those folks, it's helpful to them.
12 Instead of having a 100-page guideline from the FCC on
13 what billing should look like, having the regulations
14 spelled out has been an efficient way for them to deal
15 with those complaints efficiently.

16 So yes, Robin, I would say many complaints
17 have diminished. And that is good news. But
18 regulations, Patrick, I think have been helpful as
19 well. So hopefully that satisfies both of you.

20 MODERATOR RAGSDALE: Well, Commissioner
21 Curran, you raised a good point that many of the
22 states do not have jurisdiction over the wireless
23 industry. So I would like to ask Mike, what policies
24 has the wireless industry implemented? And if you can
25 explain if they have been helpful?

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1 MR. ALTSCHUL: Thank you. And let me join
2 with the others on the panel in thanking you for the
3 invitation to participate.

4 Let me begin by adding my voice to the
5 choir here that we believe that the guidelines and
6 competition have ensured that consumers have the
7 information they need, both to make informed choices
8 and to understand the elements of their bill.

9 Specifically, as the commission had hoped
10 in the 1999 truth in billing order, the wireless
11 carriers have adopted and implemented a voluntary
12 consumer code that goes beyond the truth in billing
13 rules adopted by the commission.

14 In particular, our code and the carriers
15 that have committed to the code disclose rates and
16 terms of service to consumers, including whether any
17 additional taxes, fees, or surcharges apply. And they
18 separately identify carrier charges from taxes and
19 surcharges on billing statements that are remitted to
20 government agencies. And this is what a responsible,
21 competitive industry does to benefit consumers.

22 Our code is available on our Web site,
23 www.ctia.org. It is available electronically from us.

24 If anyone wishes it, contact Andrea Williams. I
25 brought a summary, a little sheet that we printed out

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1 just this morning to share with you today.

2 MODERATOR RAGSDALE: Thank you.

3 Would anyone like to respond?

4 Commissioner Curran, do you believe there is a need
5 for states to get more involved in the wireless
6 industry?

7 MR. CURRAN: That's a good question.

8 Based on the evidence that we have now, I would say
9 no. I think that competitive pressures within the
10 industry, which has taken off in the last few years,
11 have been sufficient to let consumers know exactly
12 what they are purchasing and bargaining for as well as
13 the AG's office seems to have been a sufficient avenue
14 for redress for those folks who have complaints.

15 In fact, I was looking at the FCC's
16 wireless complaints before I came down here. Most of
17 the growth in complaints there seems to be centered
18 around the recent local number portability issue.
19 They don't seem to be addressed to the slamming and
20 cramming issues that were at the heart of the truth in
21 billing issue.

22 So right now I would have to say no,
23 although, quite frankly, Patrick's petition has raised
24 some important issues because it is not just the fact
25 that you don't have a lot of the complaints out there.

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1 It may be that the quality of information that is
2 getting out to folks in these surcharges is
3 insufficient or misleading and that they are not
4 bringing complaints to commissions because they assume
5 that these surcharges are part of a regulatory
6 mandate.

7 So Patrick's petition deserves some review
8 and some scrutiny, whether that results in state
9 commission regulation, perhaps some clarity from the
10 FCC on exactly what should be included in these
11 surcharges.

12 I don't see evidence in Maryland that
13 there is a growth in these complaints, but that just
14 may be because folks -- you know, when you are
15 slammed, you know you have been slammed. But when you
16 have been crammed, it may be more difficult for folks
17 to discern that.

18 So at this point no, but, Patrick, maybe
19 you can convince me.

20 MR. PEARLMAN: I would like the
21 opportunity. If I may respond?

22 MODERATOR RAGSDALE: Yes.

23 MR. PEARLMAN: One of the things in
24 putting together the petition -- and I shouldn't say
25 --

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1 MR. CURRAN: Patrick's petition.

2 MR. PEARLMAN: It's Patrick's petition,
3 but it is NASUCA's petition.

4 MR. CURRAN: Right.

5 MR. PEARLMAN: And I was maybe a primary
6 drafter, but certainly it was a collaborative effort
7 and represents the joint position of 47 consumer
8 agencies in 44 states.

9 In doing the research, we asked our
10 constituency; in fact, we asked the constituency of
11 NARUC, to identify carrier, wireless and long
12 distance, line item charges and concerns and
13 complaints that they had had. Most of the responses
14 that came back on the wireless side were very short
15 and to the point. We don't regulate wireless. We
16 don't know and we don't pay any attention to what
17 shows up on wireless bills.

18 So that is one aspect of it. I think the
19 number of complaints that come in with commissions is
20 going to fluctuate depending on how active the
21 commission is in regulating other terms and conditions
22 of wireless service.

23 In West Virginia, we do have a modicum of
24 regulation over wireless carriers, although the
25 commission sometimes seems to think we have less and

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1 sometimes thinks we have more.

2 But I think that part of the reason -- and
3 Commissioner Curran has already gotten to this -- is
4 what do consumers understand these charges to be from
5 their bill?

6 As we pointed out in the petition, the
7 charges are labeled in, at best, vague fashion. And I
8 don't think we're going out terribly far on a limb to
9 say that some of the charges are, frankly, misleading.

10 Some of the costs that are being recovered in the
11 charges are misleading.

12 Some of the carriers do provide a
13 disclaimer that makes it clear that these are not
14 government taxes or government-required charges. That
15 is usually the last line in a paragraph that appears
16 in fine print, usually on the back of a consumer's
17 bill.

18 And if there is a consumer out there who
19 is looking at the fine print on the back of their
20 bill, my hat is off to them, but I think the
21 experience that we have had is that most consumers
22 don't dig that deeply into their bill.

23 If they go to a Web site, some carriers do
24 maintain information on their Web site that also
25 discusses these charges. In our research, frankly,

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1 some carriers don't provide any information regarding
2 the charges or how much the charges are. So
3 oftentimes the consumer's first experience with the
4 charge is when they get their monthly bill.

5 We can draw our own conclusions as to
6 whether or not consumers pay sufficient attention to
7 their bill to understand what it is they're getting
8 charged, how much, and why they are getting charged.

9 The other aspect of it, too -- and we
10 experienced this in West Virginia -- was that with
11 regard to the wire line long distance carriers, there,
12 too, state commissions face a bit of a challenge
13 because many of the charges -- and this was our
14 experience with regard to AT&T -- are designated or
15 claimed to be in the intrastate jurisdiction and the
16 states don't have any jurisdiction.

17 We fought that battle with AT&T. And
18 happily I can say that we actually won that battle.
19 But I think that battle has got to be fought in 50
20 different jurisdictions.

21 MODERATOR RAGSDALE: Robin, I would like
22 to ask you, do you believe that the truth in billing
23 guidelines have sufficiently balanced the need to
24 provide consumers with protection and also to provide
25 the carriers with the flexibility they need to

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1 differentiate themselves to be competitive?

2 MS. TUTTLE: Yes, we believe that the
3 goals have worked and that there is not as much
4 customer confusion today about bills as there was five
5 years ago. The principles were helpful for meeting
6 the goals.

7 And also changes in the industry, for
8 example, things like wire line LECs are not billing as
9 much for other carriers, have helped reduce confusion.

10 So we do think that things are better.

11 MODERATOR RAGSDALE: Commissioner Curran,
12 would you like to respond?

13 MR. CURRAN: In a certain sense, I want to
14 agree with Robin on that. Since '99, at least the
15 incumbent LEC in Maryland, Verizon, has changed their
16 billing format I think to be consistent with our
17 regulations as well as the truth in billing
18 guidelines.

19 There are more organized now. They
20 clearly separate out the carrier charges on the bill.

21 There is a description of services and surcharges on
22 the incumbent's bill.

23 Patrick, whether or not that is
24 sufficient, not misleading, and consistent with the
25 truth in billing guidelines is something that will be

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1 at issue in your petition, NASUCA's petition.

2 We have also seen I think one of the major
3 issues we had back in '99 were these third party
4 billers that were getting onto the incumbents' bill.
5 Folks didn't understand that. Verizon in Maryland has
6 gotten more vigilant on -- you know, there is an open
7 access requirement -- making sure that they are more
8 astute in assuring that bad actors don't get on the
9 bill.

10 So as a result of that, we have seen less
11 complaints. But certainly while they have decreased
12 and stabilized, we need to take a look at these issues
13 surrounding the quality of information that is
14 provided to citizens, customers on those bills.

15 MODERATOR RAGSDALE: Thank you.

16 The next question I would like to ask has
17 to go -- oh, Mike, sure.

18 MR. ALTSCHUL: I basically want to build
19 on what Commissioner Curran has mentioned. In a
20 competitive industry -- and most of the industries are
21 competitive with wireless depending on who the author
22 is, extremely competitive if there is such a thing --
23 spend an awful lot of time with focus groups talking
24 to their customers about every aspect of their service
25 in every way the carrier touches the customer

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1 relationship.

2 The billing and the presentation of the
3 information on a bill are a key component in how
4 carriers interact with and satisfy their consumers.
5 They have spent considerable resources in asking
6 consumers how they want information conveyed to them.

7 We believe that is exactly the right
8 incentive and that carriers, particularly now that we
9 have number portability, where there is ready ability
10 for a customer who is displeased, feels that a carrier
11 has taken advantage of the trust between a consumer
12 and their supplier, if they feel that their trust has
13 been abused, can easily change carriers.

14 So the marketplace has done a very good
15 job. I'm happy to hear that Commissioner Curran has
16 echoed that in Maryland the complaint rate confirms
17 that.

18 We have become students of the FCC's
19 complaint rate reports. And we are very proud that
20 the complaint rate per thousand or per million
21 wireless carriers is below the complaint rate of those
22 services that the commission more actively regulates.

23 So we think that the marketplace based on
24 that empirical data is doing a better job satisfying
25 consumers than the regulatory rules and the services

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1 that are more intensively regulated. And that makes
2 sense.

3 MODERATOR RAGSDALE: Now, you mentioned
4 that you speak with some of the consumers about their
5 particular needs. Can you explain some of the issues
6 that were raised to your attention but might be
7 technical or legal impediments in terms of producing a
8 bill? What issues do you encounter in producing a
9 wireless bill?

10 MR. ALTSCHUL: Well, of course, any of us
11 who are consumers know that the primary number that
12 consumers care about is the amount you write in a
13 check, right, at the end of the month. It's not the
14 line items and how the various blocks are put together
15 to build it up but how much am I paying.

16 Of course, the press and consumer groups
17 have done a very good job -- and there are Web sites
18 that also do this -- of summarizing and comparing all
19 of the different carriers.

20 In terms of the impediments that all
21 carriers, especially wireless carriers, face, we have
22 a number of them. First, the service is provided
23 without respect to state jurisdictional boundaries.

24 So those of us who live in the Washington
25 area know that the wireless markets include Maryland,

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1 the District of Columbia, Virginia, sometimes parts of
2 West Virginia and Delaware depending on the carrier.

3 So a patchwork quilt of different state
4 rules makes it very difficult, costly, inefficient to
5 operate on a market basis. The way consumers use
6 their services is on a multi-state basis. So that is
7 one area of concern.

8 Another area of concern that has been
9 identified by our wireless tax group is there are more
10 than 14,400 different taxing jurisdictions in the
11 United States, so many different local sales taxes, so
12 many different 911 surcharges.

13 Many consumers -- I must say I live in
14 Arlington County. So it's easy for me. Our 911
15 surcharge is set on a county basis, but some are done
16 by districts that don't necessarily respect county
17 boundaries.

18 So creating 1,440 different bills and
19 price structures depending on all of the unique taxes
20 that are imposed legally by different tax
21 jurisdictions is a huge technical impediment to
22 wireless carriers, to all carriers.

23 In addition, the FCC's universal service
24 fund support mechanism now adjusts the contribution
25 factor four times a year. So every three months there

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1 is going to be a change in the amount that consumers
2 are assessed to support universal service.

3 There is also a number of very worthy and
4 worthwhile mandates imposed by the FCC that all
5 carriers support. There is contribution to the TRS
6 fund, contribution to support number administration.

7 There is a 25-cent-per-year regulatory fee
8 imposed on wireless carriers to support the FCC,
9 something that I am sure the FCC finds valuable.
10 Prorated that 25-cent user fee is 2 and one-third
11 cents per month. It is remitted to the FCC by
12 carriers, and carriers are collecting it.

13 Combining all of those individual fees and
14 not giving consumers too much information is one of
15 the things that comes out of these focus groups.

16 In reviewing the truth in billing order in
17 1999, I was reminded that the California Public
18 Utilities Commission actually asked that a lot of
19 these individual line items be combined into one line,
20 which is what the industry has responded by doing.

21 Finally, unlike wire line carriers that
22 often provide service pursuant to tariff, wireless
23 carriers use contracts. We are unable and actually
24 benefit from being detariffed.

25 Because it is a contract, changes in

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1 certain rates and terms, if material, can reopen the
2 contractual relationship. That is a disincentive to
3 both consumers and carriers because both sides benefit
4 from the certainty of a contract in a one or two-year
5 term. And the rewards that come from that loyalty to
6 a particular service provider.

7 So having a lot of changes that opens up
8 contracts every three months or so, for example, with
9 the universal service fund would be a real impediment
10 to consumer-friendly services.

11 MODERATOR RAGSDALE: Robin, I would like
12 to ask you the same question with regards to the wire
13 line industry. What type of impediments may you
14 encounter in producing a bill?

15 MS. TUTTLE: Sure. Actually, our
16 impediments are very similar. I guess I would touch
17 on some of the same points that Mike raised that we
18 would have similar charges to bill for, USF
19 contributions, federal excise taxes, TRS, PIC change
20 charges, as well as any changes that may occur or may
21 be requested, such as changing a font size or a paper
22 size.

23 Those types of changes can be very costly.
24 They would increase the size of the bill, which adds
25 postage cost and may be only a few pennies per bill,

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1 but that adds up when you are doing that for all of
2 your customers.

3 I think those are probably the most
4 significant of the impediments that we would
5 encounter.

6 MODERATOR RAGSDALE: Okay. I would like
7 to ask -- yes? Sure.

8 MR. CURRAN: I think there's an assumption
9 that if you regulate the bills, that there is going to
10 be specific requirements on font size and how you
11 represent your name and logo and that sort of thing.
12 I don't think that is what we would try to do in
13 Maryland or other state regulators would try to do.

14 We have to be sensitive that these
15 companies are regional in nature, as Michael
16 referenced, that you can't have a patchwork of
17 regulations that you have to comply with. That is
18 going to add costs to them, and it will be passed
19 along to consumers.

20 I think getting back to the truth in
21 billing guidelines and what state regulators would try
22 to do in implementing regulations to support those
23 guidelines are to look for broad criteria.

24 The requirements are that the bills be
25 clear and understandable that provide descriptions of

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1 the services that are being provided, that they are
2 not misleading, that there is a toll-free number on
3 there that if you have a dispute, there is something,
4 there is an avenue for you to call the company and get
5 some redress, that you separate out surcharges like
6 e-911 or universal service.

7 Those are very general requirements that
8 should be satisfied that are obligations that I think
9 are fair to place on companies to ensure that
10 consumers have the information that they need to be in
11 the marketplace or to make informed decisions.

12 I don't think we are looking for real
13 rigid guidelines or real rigid requirements, just
14 standards that folks should adhere to that are
15 flexible enough for them to compete in regional
16 markets.

17 So I just want to dispel this suggestion
18 that either state regulators or regulation would make
19 these requirements too state-specific and then add
20 unnecessary costs to the folks trying to compete.

21 MODERATOR RAGSDALE: Robin, you wanted to
22 respond to that?

23 MS. TUTTLE: Sure. And I would just add
24 that we believe that our customers do want to have the
25 surcharges and fees broken out. We think they find

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1 that is useful to them as well as states often may
2 have requirements, but we do note that they are
3 willing to work within the federal requirements to
4 make sure that there is not too much distinction and
5 carriers don't have to create too many different types
6 of bills.

7 MODERATOR RAGSDALE: Patrick?

8 MR. PEARLMAN: I will try to keep it very
9 brief and just address some of the points. In terms
10 of what NASUCA has petitioned for, we view it as,
11 frankly, simplifying bills greatly, namely taking off
12 any surcharge that is not expressly mandated by
13 federal, state, or local action.

14 So in terms of having to, if you will,
15 incur the burden of additional line items, only if the
16 government entity requires that fee to be imposed
17 should that fee show up in your monthly bill.

18 It is interesting that in talking about
19 taxes, one of the taxes that I am familiar with and
20 everybody is is the three percent excise tax that is a
21 federal excise tax.

22 My understanding is I don't think that has
23 gone up since 1997. I don't think any carrier is
24 having any difficulty in reacting to changes in that
25 tax. Similarly, I think at the state level, most

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1 state taxes that apply to consumers' bills are
2 remarkably stable.

3 A number of the items that Mike addressed,
4 TRS, Telecommunications Relay Service, contributions
5 into the North American numbering plan, many of the
6 carriers I don't think began recovering those costs
7 through a separate line item charge until fairly
8 recently. That is a cost of doing business, frankly.

9 You know, if you go to a hardware store to
10 buy a gallon of paint, you pay eight dollars a gallon
11 with a sales tax associated with it. You don't pay
12 eight dollars plus a surcharge for the company's
13 compliance with OSHA regulations, environmental
14 regulations, or any other type of consumer product
15 safety commission advisories. In other words, you are
16 not paying \$8 plus 10 cents plus \$1.50 plus 50 cents
17 and then you get the total bill at the end of your
18 transaction. I think that is an issue that is fairly
19 important that needs to be borne in mind.

20 So I think our goal is actually perhaps
21 one and the same and mutually benefit, which is
22 ultimately we would like to see bills simpler. You
23 pay a monthly rate. If you have a calling plan that
24 has a monthly rate, you pay that. You pay your
25 per-minute usage rate, and you pay any federal taxes

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1 or local taxes, your 911 fees, for example. And that
2 is all that should be on the bill, and that is all
3 that has to be explained.

4 MODERATOR RAGSDALE: I think the gloves
5 are coming off on this question. Robin wants to
6 respond and then Mike.

7 MS. TUTTLE: Sure. I just wanted to
8 address -- Patrick had raised the term "mandated."
9 Often regulatory agencies don't mandate a certain
10 charge. They may authorize it or approve it. And
11 certainly if those charges are authorized or approved,
12 then carriers should be able to recoup those charges.

13 MODERATOR RAGSDALE: Mike?

14 MR. ALTSCHUL: I would like to in front of
15 all of you in this public forum wager a quarter bet
16 with Patrick that when he has his oil change the next
17 time or takes his car in for a repair and takes a look
18 on his shop bill, there is going to be a charge for
19 environmental compliance or a shop fee or both.

20 I have just gone through this with my own
21 car with this panel in mind. I said, "Oh, that is
22 interesting. I know an industry that does the same
23 thing. They do it for a very good reason."

24 There is no benefit to consumers in
25 individually pricing the price of a washer or how many

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1 quarts of oil when it is four or five or six quarts
2 depending on the vehicle or how many paper towels are
3 used. Rather, taking a lot of small costs, bundling
4 them, averaging them, and passing them through on a
5 uniform way is more efficient for the service
6 provider. And in a competitive industry, those
7 efficiencies get passed through. Their lower costs
8 get shared with consumers.

9 It also goes back to the fact that we are
10 facing 14,000 different price structures given all of
11 the different tax jurisdictions. I wish Patrick was
12 right that these taxes remain the same. Certainly the
13 universal service contribution factor isn't.

14 Certainly in Baltimore City right now,
15 where they are proposing to impose a new tax on
16 wireless service, it is not going to be the same,
17 hasn't been in the Maryland suburbs of Washington that
18 have recently imposed new surcharges on wireless. We
19 know in California, 911 surcharges at a community
20 level are being increased on a regular basis.

21 So it is a very dynamic and changing
22 environment. Absent tariffing, it doesn't do
23 consumers any good if their contract has to change.
24 It doesn't do consumers any good. They can't compare
25 what are the true variable costs, which is the air

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1 time and monthly plans that allow them to shop across
2 all of the different service providers' rate plans.

3 MODERATOR RAGSDALE: Another rebuttal,
4 Robin?

5 MS. TUTTLE: Actually, an agreement.

6 MODERATOR RAGSDALE: Okay.

7 MS. TUTTLE: We agree with CTIA that if
8 you were to roll up all of these surcharges and fees
9 into a total package price, maybe unlike the wireless
10 industry that has a contract with their end-users, the
11 wire line companies are filing tariffs. And they
12 would have to be filing tariffs virtually every month
13 to encompass these changes that can happen, say, 9/11
14 changes from county to county or your universal
15 service contribution changes quarterly.

16 So we also believe that it is easier for
17 consumers to be able to compare a base price and get
18 information from the carrier as to additional
19 surcharges and fees that may be on top of that so that
20 they can actually compare apples to apples.

21 MODERATOR RAGSDALE: Thank you.

22 MR. ALTSCHUL: Could I just inject --

23 MODERATOR RAGSDALE: Sure.

24 MR. ALTSCHUL: -- some regulatory
25 economics? There may be experts more expert than I on

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1 this, but there is this notion that consumers benefit
2 by separating fixed from variable costs so that they
3 can get good price signals and adjust their
4 consumption based on true price signals so that my
5 natural gas bill in Arlington, Virginia has a fixed
6 charge for a network system maintenance fee, which
7 doesn't change, and then a usage-based charge based on
8 how much gas. It also provides an incentive for me to
9 buy a more efficient furnace the next time.

10 So, similarly, wireless carriers are
11 breaking out for consumers the variable costs, which
12 are within consumers' control, which is their air
13 time, plans, and so on, which provides them with the
14 kind of valuable information they can use to make
15 decisions and separating out these fixed costs, which
16 are really common across all carriers who do business
17 in the same geographic area.

18 MODERATOR RAGSDALE: The fixed costs, you
19 refer to those as taxes and fees or are there other
20 fixed costs that you are referring to?

21 MR. ALTSCHUL: Well, certainly we all know
22 that carriers have separate line items for taxes,
23 surcharges, fees that are remitted to the government
24 -- and our consumer code recognizes this -- as well as
25 fees which the carriers have broken out from their

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1 bills to recover their costs of complying with
2 government mandates.

3 Patrick calls this the cost of doing
4 business, but, for example, the FCC's numbering rules,
5 number portability rules, allow the regulated LECs to
6 recover their costs of complying with local number
7 portability as a line item on their bill.

8 And with respect to wireless, the same
9 order said that since wireless rates are not
10 regulated, we will permit wireless carriers to recover
11 these same costs in any lawful means. So wireless
12 carriers have mirrored what the commission has
13 mandated the wire line carriers to do.

14 MR. PEARLMAN: If I can respond to that?
15 There is obviously a lot I would like to respond to
16 but just a couple of the points. With regard to the
17 local number portability fee, it is true the FCC
18 authorized incumbent LECs to impose a fee.

19 That fee was imposed pursuant to a tariff
20 that was filed with the FCC as part of their tariffing
21 process and the fee that was allowed. And I emphasize
22 the term "allowed." In other words, the incumbents
23 did not simply pick a number out of the air, put it on
24 your bill, and that was authorized.

25 In other words, the incumbents had to go

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1 to the FCC and demonstrate that the fee bore some
2 relationship to the direct cost that the carriers
3 incur in providing local number portability and just
4 local number portability.

5 The wireless carriers, in particular, do
6 not have to make any sort of demonstration to the FCC.

7 There is no requirement to establish a demonstrable
8 relationship between the fee that is being charged and
9 the cost that the carrier is incurring.

10 One of the other things since Mike brought
11 it up is the commission's order that allowed carriers
12 to impose number portability fees also suggested that
13 those fees ought to be roughly proportional to each
14 other because smaller carriers have fewer facilities,
15 may have a smaller number, a smaller customer base;
16 whereas, larger carriers have large customer bases and
17 large fixed costs to provide number portability. But,
18 all things being equal, those ought to balance out.
19 That has not been --

20 MR. CURRAN: Fortunately, you're going to
21 know it is not true.

22 MR. PEARLMAN: Well, it is certainly not
23 true when comparing across the fees that the
24 incumbents were allowed by the FCC and the fees that
25 the wireless carriers are imposing.

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1 The other aspect of that is that the FCC's
2 order suggested that carriers ought not to be able to
3 recover a fee until the customer is reasonably able to
4 receive the service for which the fee is being
5 imposed.

6 In other words, you don't get charged for
7 local number portability until you can actually port
8 your number. That has not been something that has
9 been the experience in the wireless industry because
10 the fees began being imposed, I believe, in January of
11 2002. Local number portability was not a requirement
12 for the wireless industry until November 2002 and, in
13 fact, ended up being extended until November 2003.

14 The other concern -- and obviously our
15 petition went at length regarding number portability
16 since it is a fairly important issue -- is how much do
17 the carriers get to recover over time associated with
18 their local number portability cost?

19 To my knowledge, there has not been any
20 inquiry into figuring out whether the costs match up
21 to the amount recovered by the carriers, nor has there
22 been any real look at whether or not the carriers are
23 recovering beyond the direct costs of providing number
24 portability.

25 In other words, some carriers are

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1 providing advertising costs. Some are recovering
2 win-back program costs. This is by their own
3 admission.

4 So that is a concern with the number
5 portability surcharge, in particular. Some of the
6 other items, too, I think, number plan compliance,
7 TRS, those are contributions that the FCC issues every
8 year.

9 The percentage of the amount recovered is
10 tiny. I think it is less than the annual. It would
11 be less than the annual fee that the FCC recovers from
12 the wireless carriers, the 25 cents that Mike
13 referenced. So that is one of the concerns that was
14 raised in our petition.

15 And I guess the last point that I will
16 address is just that we are not convinced that
17 customers want to see more surcharges in their bill so
18 that they can shop among carriers.

19 Our experience is that consumers do shop,
20 not on the amount that they write on the check but on
21 the bottom line of the usage minutes, the 5 cents a
22 minute plans, the \$19 all you can eat wireless plans
23 and so forth. That is really what the consumers are
24 looking at, not at the total charge at the end of the
25 day.

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1 Thank you.

2 MODERATOR RAGSDALE: Mike?

3 MR. ALTSCHUL: A quick surrebuttal on a
4 few of these points, maybe not so quick. First, I
5 find it passing strange that a consumer advocate would
6 suggest the consumers benefit from less information,
7 rather than more information, about the elements of
8 their charges and how they are built up and which
9 charges are within the consumers' control and which
10 are not.

11 Well, with respect to the specific number
12 portability issues, first, there are petitions pending
13 in nearly all of the states, probably about 40 states,
14 from small rural LECs, as there have been petitions
15 from small wireless carriers, that the costs versus
16 the number of subscribers that they can spread those
17 costs over given their smaller customer base and
18 certain costs of implementing L&P are fixed are
19 disproportionately large and disadvantage them in the
20 marketplace. So there is some empirical marketplace
21 information that is available today that wasn't
22 available to the commission when they adopted the
23 rules.

24 Second, the issue which is also raised in
25 the petition that wireless carriers began charging for

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1 number portability before number portability was made
2 available to wireless consumers is actually not
3 entirely correct.

4 Wireless carriers, like all carriers, had
5 to upgrade their networks and start querying the
6 number portability database. As soon as the wire line
7 carriers started providing number portability, it was
8 impossible to complete a call from a wireless phone to
9 a wire line phone once those wire line phones have
10 been opened up to porting without this network upgrade
11 and without the database query to route the call to
12 the right carrier.

13 Moreover, because of a parallel FCC rule
14 when the timing was reversed between wire line and
15 wireless, wireless carriers in 2002 had to complete
16 their network upgrades to support a thousand-block
17 pooling, something which the commission did to
18 facilitate efficient number utilization but saying the
19 commission only imposed on the industry after they
20 imposed L&P on wire line carriers.

21 So the timing is not strange. It reflects
22 the benefits that all consumers, including wireless
23 consumers, received from both wire line portability,
24 which began in 1999, and thousand-block pooling.

25 MODERATOR RAGSDALE: Thank you.

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1 One question I would like to ask before I
2 open it up to the floor for general questions, the
3 first important order for the truth in billing order
4 indicated that the consumer groups and industry
5 representatives should get together to discuss
6 standardization of federal regulatory action charges.

7 Are any of you aware if that action has taken place?

8 And if not, would you be interested in initiating an
9 action?

10 Who would like to be the first one?
11 Robin?

12 MS. TUTTLE: We're not aware that any such
13 initiatives have occurred to create focus groups. I
14 believe our members would be open to participating in
15 consumer focus groups to discuss labeling. And
16 perhaps this is something this Committee could assist
17 with.

18 MODERATOR RAGSDALE: We will try.

19 Mike?

20 MR. ALTSCHUL: I guess two answers. One
21 is that the question implies, as Patrick's petition
22 alleges, that something is broke, it needs to be
23 fixed. We really challenge that. We challenge on the
24 basis of complaints. We challenge it on the attention
25 that carriers give these issues.

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1 Having said that, the CTIA consumer code
2 is a result of listening to consumer advocates as well
3 as consumers of a dialogue that has not always been in
4 the same room at the same time but has involved some
5 very frank discussions and back and forth with the
6 NARUC Consumer Affairs Committee.

7 We made presentations to them. They made
8 presentations and letters to us. And in adopting our
9 principles and our cost, we have started from the list
10 of issues that these regulatory and consumer groups
11 have brought forward.

12 MODERATOR RAGSDALE: Commissioner Curran
13 with NARUC?

14 MR. CURRAN: I think that's fine. I think
15 some of the issues for some of these guidelines were
16 put into regulations. I think the labeling regs were
17 stayed by OMB. And I assume that that stay is still
18 in effect for that.

19 That may have been one of the reasons
20 folks didn't huddle around to work on these labeling
21 requirements because, actually, there was a fairly
22 compelling dissent filed in that with the TIB by -- I
23 don't want to get his name wrong --Furchtgott-Roth.

24 And it may be that folks had concerns
25 about the commercial speech implications or the

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1 constitutional concerns around that. It may also have
2 been from the NARUC view that we were -- at least I
3 can speak for Maryland and look at some of the data
4 across the country -- seeing a decrease in the amount
5 of slamming and cramming complaints. And we were
6 seeing the separations in billings which were required
7 under the TIB, separations between providers as well
8 as between charges.

9 So it was those things that may have
10 happened in combination with the stay, in combination
11 with folks' review of the dissents filed in the TIB
12 order, that folks didn't huddle around to do the
13 labeling.

14 Whether or not that is required or not,
15 I'm sure that the NARUC consumer affairs folks if
16 there is a group put together, NASUCA and others ask
17 for an invitation to join, I am sure they would be
18 willing to participate in that.

19 I just wanted to follow up on the
20 discussion. I didn't want to get between Michael and
21 Patrick before. That was a dangerous place to be.
22 But just on the surcharge issue, I think one of the
23 concerns of the regulators is that the charges that
24 are reflected on the bill with local number
25 portability or e-911 or universal service, we are

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1 concerned that those charges do, in fact, reflect the
2 cost of the service that is provided to folks.

3 So in that aspect, we would agree with
4 Patrick. On the other hand, if we get into this fixed
5 and variable cost issue, Michael's clients, if some of
6 them are being inefficient and hiding costs associated
7 with the inefficiencies in their operation in
8 surcharges, the more efficient carriers that are out
9 there will be able to defeat them in the marketplace.

10 So, again, I am sympathetic because I
11 think that Patrick is correct and NASUCA is correct
12 that the goals of the TIB are that the charges that
13 are on the bill should, in fact, reflect the services
14 that are being provided to consumers. If that is not
15 happening, then that is wrong. But, on the other
16 hand, the competitive forces out there should drive
17 those bad actors out of the marketplace.

18 MR. ALTSCHUL: This is a little surreal in
19 that the Bureau of Labor Statistics has done for a
20 period of almost eight years now the consumer price
21 index for wireless service, which includes the bottom
22 line, not just rate plan elements.

23 We all know that the wireless industry, in
24 contrast to other segments of the telecommunications
25 industry, has a record of continually declining total

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1 prices.

2 And it's a little strange that regulators
3 who have allowed consumers to benefit from totally
4 deregulated prices, which have driven all of the
5 prices that end-users pay down to carriers' costs,
6 would seek to regulate a line item surcharge while the
7 actual price would not be regulated, particularly when
8 the government's price data indicates that the overall
9 price of the air time as well as the line items as
10 well as the taxes continues to go down.

11 MR. PEARLMAN: If I can, I guess, respond
12 first to Joy's question and then just briefly to a
13 couple of the other comments? NASUCA along with I
14 think everybody else is unaware of that initiative, if
15 you will, to address standardized labeling. But I
16 think it is fair to say we would be happy to sit at
17 the table and discuss those sorts of things.

18 With regard to the issue of the price for
19 wireless service, that is probably true. You know, I
20 think telecommunications is generally a declining cost
21 industry. And we have certainly seen with access
22 charge reductions, the cost or the price for wire line
23 services generally declined, at least with regard to
24 the usage rates.

25 I think the concern that Commissioner

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1 Curran raised is identical to or analogous to what we
2 brought up in the NASUCA petition, which is, are
3 consumers able to make that price comparison between
4 efficient and inefficient carriers? We are skeptical,
5 obviously.

6 The problem is that it is a competitive
7 market. And some carriers are more efficient than
8 others. Those which are inefficient can hide their
9 costs or their inefficiency costs through surcharges.

10 Those that are more efficient find a profit motive
11 that is there by being able to do what everybody else
12 is doing by imposing a surcharge.

13 Obviously I can't name names of who is the
14 efficient and who is the inefficient, but I think the
15 concern is that it really does frustrate the
16 consumers' ability to shop between carriers. And I
17 think it frustrates the goal of the competitive market
18 to weed out those carriers that are truly inefficient.

19 As we point out in our petition, we are
20 not suggesting that carriers should lose money. We
21 are simply saying that recover your costs in your
22 rates, not through separate surcharges.

23 I think part of the problem is
24 exemplified, as we point out, in just the sampling of
25 carrier surcharges with the number of programs, costs,

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1 et cetera, that are lumped into these fees. I think
2 it would be difficult, if not impossible, to correlate
3 the costs associated with each program to the
4 carriers' fee.

5 Given the fact that there are something
6 like 1,000 wire line long distance carriers and 1,400
7 wireless providers, no regulatory agency is going to
8 be able to make that kind of correlation either.

9 MODERATOR RAGSDALE: Anyone biting at the
10 bit?

11 (No response.)

12 MODERATOR RAGSDALE: No? Shirley would
13 like to open it up to the floor. Are there any
14 questions?

15 CHAIRPERSON ROOKER: Yes. Because of our
16 rearrangement of schedules, we do have an extra half
17 an hour that we are going to use if we need it for
18 questions. So I would like to answer. And I think
19 David had his hand up and then Susan and I'm hoping
20 the rest of you.

21 MR. POEHLMAN: Goody, goody, goody. I get
22 to go first again. This is David Poehlman with the
23 American Council of the Blind today.

24 CHAIRPERSON ROOKER: Fast hand over there,
25 David.

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1 MR. POEHLMAN: Yes. I have been
2 fluttering for, oh, half an hour, 45 minutes here.

3 I appreciate the panel discussion. It has
4 been informative and insightful. First, I just want
5 to give you my perspective. I'm a bottom line guy.
6 So I guess I am kind of weird or strange or unique or
7 somewhat rare in that I do want to know what my bill
8 is going to be at the end of every month.

9 Having said that, having observed my
10 monthly bill over the past several years, I was
11 mystified by a statement that if these charges were to
12 be bundled into the tariffing for wire line, that they
13 would have to go back every couple or three months to
14 adjust the tariffs because for years, my basic rate
15 stayed the same. The only thing that changed was the
16 amount that I paid for long distance based on the
17 number of minutes I used on my long distance before I
18 got into a bulk rate plan.

19 If somebody can clear that up for me, I
20 would appreciate that. Maybe I am misunderstanding
21 something.

22 MS. TUTTLE: I think maybe I can address
23 that. What I was trying to indicate was that if the
24 various surcharges and fees were rolled into a total
25 package price so that consumers were comparing a total

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1 price, that that could cause carriers to have to go
2 back and file tariffs every month because the various
3 surcharges that are rolled into that could change from
4 month to month or quarter to quarter. Does that help?

5 MR. POEHLMAN: That is what you said, but
6 I haven't seen that kind of evidence of those charges
7 over the past several years, the fluctuations.

8 MS. TUTTLE: Oh, the fluctuations in the
9 911 or the universal service?

10 MR. POEHLMAN: There have been minor
11 changes over the years, but basically my phone bill
12 has stayed the same or did stay the same up until
13 relatively recently.

14 MS. TUTTLE: I was just speaking with one
15 of our members earlier this week. He had mentioned
16 that his 911 charge had gone up from 50 cents to 75
17 cents. So I think it depends on where you live. His
18 county had just changed that. So if that were the
19 case, his would have to be changed to reflect that.

20 MR. POEHLMAN: Right. But when before
21 that did it go up to 50 cents?

22 MS. TUTTLE: I don't know.

23 MR. POEHLMAN: See, that is the question
24 that I have. Sure, we see incremental changes every
25 now and then but not every month, not every couple of

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1 months. So that's what I was trying to get at. I was
2 confused by the statement because of my experience.

3 MS. TUTTLE: Well, now, I would just also
4 add, too, that the universal service contribution does
5 fluctuate every quarter. And you might see a change
6 in your universal service contribution portion of your
7 bill. It may be pennies, but that is still a
8 difference in a charge.

9 MR. ALTSCHUL: And also under traditional
10 rate of return regulation, carriers and their
11 regulators may over-collect for the rate of return for
12 a period and under-collect for a period because of
13 regulatory lag, extending in a regulated monopoly
14 environment rate stability in a way that you don't see
15 in a competitive industry, whether it's the airline
16 industry or the wireless industry, where rate changes
17 are dynamic.

18 We were talking earlier about whether
19 consumers really do shop and make informed choices.
20 In the wireless industry for the last 3 years, 30
21 percent of subscribers have changed carriers each
22 year.

23 We are not seeing number portability at
24 that rate, but we are continuing to see churn at that
25 rate. And we see on a quarterly basis that there are

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1 clear winners and losers among the carriers, some
2 gaining customers at a much greater percentage, some
3 carriers in some quarters actually going in the wrong
4 direction, losing more customers than they acquire.

5 So consumers are doing something out
6 there. They are paying attention and rewarding
7 carriers that provide value and attractive product and
8 punishing those that don't.

9 MS. GRANT: Hi. Susan Grant from the
10 National Consumers League. I've got three questions.

11 I was interested in the notion that these
12 various kinds of fees and surcharges are somehow
13 useful for consumers. Are the members of the industry
14 suggesting that all businesses, not just telecom
15 business, should provide bills or receipts that have
16 essentially an X-ray vision of what goes into the
17 price, including the social and legal responsibilities
18 of the business, and, to take it one step further,
19 things like executive compensation, the cost of travel
20 for employees, and just all of the various costs of
21 doing business? Maybe that would be good for
22 consumers to see, but I am wondering if that is what
23 you are advocating.

24 Second, if there is a trend towards
25 businesses starting to break out what one could argue

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1 are costs of doing business separately in their bills,
2 are you saying that that is a good thing for the
3 marketplace or does it create the danger of totally
4 skewing advertised prices so that they don't actually
5 have any basis in reality to the end price that
6 consumers pay?

7 And, finally, if you rolled these costs of
8 doing business into the price, instead of allowing
9 them to be what are essentially unsubstantiated line
10 items, wouldn't that reduce the incentive for
11 companies to pad those amounts, as the NASUCA petition
12 has documented is happening?

13 MODERATOR RAGSDALE: Were you directing
14 your question to anyone in particular?

15 MS. GRANT: Yes. No. Everyone.

16 (Laughter.)

17 MR. ALTSCHUL: I will be happy to jump in
18 in these waters. Let's take a real world example of
19 sales tax, something simple that is a little different
20 than your question about the doughnuts that executives
21 may have on Monday morning at their staff meeting.

22 It is the universal or nearly universal
23 practice in this country that products are advertised
24 without sales tax. That is because Maryland's tax is
25 going to be different from the District's, than

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1 Virginia's. And everybody is going to be in the
2 Washington Post.

3 This provides consumers with the ability
4 to shop for the lowest price from a wide range of
5 outlets. And then the taxes are variable. The
6 consumer is not told what they are actually going to
7 be paying out of their pocket for the good plus the
8 service.

9 As a result, you see an awful lot of price
10 advertising for goods. The Federal Trade Commission
11 for reasons lost to history has required gasoline
12 prices to be posted inclusive of all of the taxes, the
13 federal tax, the local tax, and so on and so forth.

14 I defy you to point out price advertising
15 of gasoline prices. It just doesn't happen because it
16 is so variable. Consumers don't get price signals
17 when all of these variable costs are included because
18 it is too local.

19 So it goes back to the point I was
20 suggesting, that by breaking out those elements which
21 consumers can shop for and sending them strong price
22 signals and separating those elements which are
23 imposed on businesses by government regulations that
24 are common across all of them, it actually encourages
25 price advertising, price competition, and benefits

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1 consumers.

2 Lumping together everything in one charge
3 over 14,400 different jurisdictions will so muddy the
4 information stream that consumers won't get the price
5 signals that they get today, just as in gasoline
6 versus other goods.

7 MS. GRANT: I just want to clarify that I
8 am not including taxes in my question.

9 MR. ALTSCHUL: No. I am just explaining
10 what happens when you have a unitary pricing versus a
11 price system where the elements are separated on
12 separate line items.

13 MR. PEARLMAN: I will go ahead and jump
14 in, I guess, too. I guess I am still kind of confused
15 by the price shopping for gasoline because I know I
16 price shop based on what I see on the gasoline board.
17 And if it's \$1.39 -- well, let's be real.

18 (Laughter.)

19 MR. PEARLMAN: If it's \$2.39 -- boy, those
20 seem like not that long ago days -- I am going to look
21 for some place that's advertising at \$2.38 or \$2.37.

22 And I know that in West Virginia, we've
23 got generally 44 or 45 cents per gallon state and
24 federal taxes. It tells me so right on the pump. But
25 what I am looking at is who is charging 2.39 and who

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1 is charging 2.37.

2 The other thing that determines --

3 MR. ALTSCHUL: Don't you have to drive by
4 to do that? You can't go look it up in a newspaper.
5 There is no price advertisement.

6 MR. PEARLMAN: That's generally true.
7 There is not because the price does fluctuate quite a
8 bit. I guess what we are getting at, too, is the idea
9 of putting it all in one fixed sum is I think a little
10 disingenuous for what NASUCA is petitioning for
11 because we are not saying, "Put it all in one charge"
12 or "Put it all in one rate plan."

13 I mean, the carriers ought to have, I
14 mean, we certainly want carriers to have, the
15 flexibility to price plans out. We want consumers to
16 have as many choices for types of plans and rate plans
17 out there as they can get because ultimately the
18 consumer ought to shop for what makes sense for him or
19 her.

20 We are not saying, "Don't recover your
21 costs of doing business." If your cost of doing
22 business is \$150 million a year, well, then, recover
23 \$150 million a year. And you can obviously recover
24 some profit, too. But put that \$150 million in your
25 profit and what you are charging consumers on their

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1 monthly rate plan or on their per-minute plan.

2 But recovering \$150 million a year plus X,
3 which is incorporated into a surcharge that recovers
4 numerous costs of doing business, we don't think that
5 really sends the proper price signal to the consumer.

6 And I can just real quickly relate the
7 story I had on the drive over here with the taxicab
8 driver. He said, "Where are you going?"

9 And I said, "The FCC."

10 And he said, "What are you doing there?"

11 And I said, "We're having this forum. And
12 I'm giving a presentation. And we're talking about
13 charges on bills."

14 And he said, you know, "I don't understand
15 my bill. I haven't understood my bill for years.
16 What do these things mean? Why do I have to pay them?
17 Why does the government keep putting all of these
18 charges on my bill?"

19 And I said, "Well, that is what we are
20 going to be talking about today." I don't know
21 whether these folks are filing complaints or not.

22 Another D.C. cabbie -- and I've got to
23 give them credit because they're pretty sophisticated
24 here -- was telling me that what he does is he just
25 doesn't pay the surcharge, which I said, "Hey, that's

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1 actually a good idea. I don't know if that is
2 deniable or undeniable." Oh, it's deniable? Okay.

3 But I think a number of consumers take
4 that approach. And I don't think that's something
5 that we necessarily want to do either. So I think
6 that the idea that consumers are benefitted by a
7 multitude of programs being recovered in one or more
8 line item charges, I'm not sold on that idea.

9 CHAIRPERSON ROOKER: Okay. Now let me
10 just ask you, is your question a follow-up to that
11 answer or is it separate?

12 MS. GRANT: No. It's separate.

13 CHAIRPERSON ROOKER: Okay. Well, Donald
14 had his hand up first.

15 MR. SNOOP: One of the questions I had
16 ties in with truth in billing, but it also has a lot
17 to say about what these taxes are all for and why the
18 average consumer has absolutely no control over it.

19 Nine, one, one, universal service are
20 probably two of the ones that I don't think anybody
21 would argue or would probably be extremely valuable
22 and would need to happen. We need to find funding
23 formulas that actually make sense.

24 Gross receipts, tax, surcharges, various
25 other things that the companies are forced to either

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1 pay, pass through, or something of that nature, the
2 average consumer has no control over those.

3 Quite often they become budgetary items
4 that become ways for municipalities, counties, states
5 to fund other initiatives. They have absolutely
6 nothing to do with the cost of providing that service.

7 It's just a matter of it falls into a general fund.

8 It happens. It continues to happen. I
9 have seen example after example, even abuses on 911,
10 where counties take all of these funds supposedly to
11 subsidize the cost of assign a ring so that nothing
12 ever goes down with the system.

13 And then, all of a sudden, somebody cuts a
14 fiber. And guess what? Half of the county is out.
15 Why? Because they never completed it because it went
16 into the general fund.

17 It has nothing to do with truth in
18 billing, but I think it is part of what you are
19 talking about because the actual control the consumer
20 has is absolutely zero when it comes to this. The
21 costs get passed on to companies.

22 To Michael's statement, I agree with him
23 that companies have absolutely no -- I mean, they can
24 absorb the costs. Sure, they could absorb it. Why
25 should they? They're being mandated.

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1 MR. PEARLMAN: Is your question directed
2 to me or --

3 MR. SNOOP: No.

4 (Laughter.)

5 MR. SNOOP: No. I just happened to look
6 at you, Patrick.

7 CHAIRPERSON ROOKER: Okay. Andrea was the
8 next question and then David.

9 MS. WILLIAMS: Andrea Williams with CTIA.
10 I'm not going to ask Mike because I can ask --

11 MR. ALTSCHUL: You had better not ask me a
12 hard question.

13 MS. WILLIAMS: There are two things,
14 Patrick, that I wanted to ask you in terms of -- and
15 Commissioner Curran. You say that you don't know
16 whether consumers are filing or they're not filing,
17 but you say that the NASUCA petition is based on the
18 research.

19 I can only assume that is only based on
20 the complaints that you are receiving that consumers,
21 they don't want this, what we feel is, I guess you
22 would say, for the wireless industry informing them of
23 what they are paying for in terms of what we don't
24 view in the wireless industry as normal business
25 operating expenses.

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1 We had an earlier discussion about this,
2 that we're even seeing in companies government
3 mandates are no longer. Those types of things,
4 they're different line items in a corporation's
5 finances. They're not part of cost of doing business.

6 I think it is sort of ironic that -- well,
7 not ironic, but one thing that I have not seen in
8 NASUCA's petition that I think all of us in this room
9 agree with, you said that consumers don't pay much
10 attention to their bills. Well, that says something
11 to us.

12 Why? Why aren't they paying much
13 attention? Is the level of consumer education not
14 where it needs to be? Consumer advocacy agencies,
15 industry, do we all need to be doing a better job so
16 consumers are reading their bills, showing them how to
17 read their bills?

18 It's so easy to say, "Let's regulate it"
19 because no one wants to take the time out to teach a
20 consumer as "Excuse me, Marcie Simms. An educated
21 consumer is our best consumer."

22 And I'm just wondering, in all of this
23 dialogue, where is the consumer education?

24 MR. PEARLMAN: Well, one thing I guess
25 maybe I should clarify what I said. When I said the

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1 consumers weren't paying attention to the amount they
2 write on their check, they pay attention to that,
3 obviously. And I probably misspoke.

4 What I don't think they are paying
5 attention to is all the items that go between the
6 monthly plan that they signed up for and the rate that
7 they were promised in the advertising or the
8 telemarketing call and then all of the stuff in
9 between that and the bottom line at the end of the
10 month.

11 Some of those I think are just probably to
12 consumers relatively indecipherable. And certainly a
13 surcharge that recovers a multitude of things is going
14 to be something that the consumer is not going to know
15 whether or not it is valid, how much it ought to be
16 and so forth.

17 So with that clarification --

18 MS. WILLIAMS: Don't we have a
19 responsibility, all of us in terms of government and
20 industry, in making sure they understand, educating
21 them?

22 MR. PEARLMAN: Certainly. I think we all
23 agree on that. We all make that effort. You know,
24 the effort, has it been sufficient? Maybe, maybe not.

25 Certainly the FCC has taken a step forward

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1 with creating the Consumer and Government Affairs
2 Bureau. I think that was a positive step.

3 Part of it I think is, frankly, my office,
4 the Consumer Advocate Division in West Virginia, we
5 don't log consumer complaints. We get calls from
6 consumers who complain about various things on their
7 bills or in their service, but we don't have a
8 consumer assistance team.

9 We have seven people in my office. And we
10 don't log those types of complaints. I'm sure that in
11 a lot of states where they don't regulate wireless,
12 they are not really necessarily tracking complaints.

13 So I think some functions in terms of
14 tracking and in terms of outreach are functions of
15 jurisdiction and, frankly, administrative
16 capabilities.

17 We do maintain -- most I think of the
18 consumer advocate offices; in fact, I think all of
19 them, have got Web sites. And we will typically
20 provide consumer information.

21 The FCC has a Web site, in which it also
22 provides consumer information. I think carriers
23 maintain Web sites. Some of them provide more
24 information than others. Some provide, frankly, not
25 much information to inform consumers.

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1 I would say that certainly a better job
2 can be done by all of us, but, again, the thrust of
3 our petition really is to simplify a consumer's bill
4 as much as possible so that things that look like a
5 government charge but aren't necessarily a government
6 charge don't show up on that bill.

7 CHAIRPERSON ROOKER: Okay. Well, I'm
8 sorry. We only have time for one more question. And
9 David had his hand up. And it is going to have to be
10 a brief one. We have got five minutes. Sorry about
11 that.

12 MR. HOROWITZ: It will be a brief
13 question. That is, I wonder why the public wasn't
14 told up front about these charges that they thought
15 might have been government charges on their bills that
16 were listed and that basically were being used
17 according to the things that I read and the people
18 that I spoke to in the industry to show that there are
19 costs that needed to be paid by the companies.

20 And that is why they put these on the
21 bills. And they didn't think it was necessary to have
22 to put on the bills that these were nongovernment
23 charges that were there because I find that a reason
24 for a lot of this is overzealous salespeople from the
25 companies, not the telemarketing companies but from

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1 the companies that are selling these products, that
2 are not telling people the truth. And people are
3 walking around saying, "Oh, no. That's a government
4 thing" because they tell them that.

5 I have gone into a number of stores that
6 sell cell phones and have been given that line that
7 these are government charges. That's what you pay on
8 your bill.

9 My feeling is, why don't you just include
10 this as part of a cost of doing business, which it is,
11 and take your money out of that; in other words,
12 saying that the cost of this call is not five cents
13 but it actually is nine cents, instead of putting
14 these nonsensical things on your bills?

15 MR. ALTSCHUL: Well, it gets back to all
16 of the different themes. To take all of those costs
17 and to put them into just air time would either
18 involve averaging across the country and making it
19 very easy for state and local governments to impose a
20 lot of fees knowing that there would be no penalty in
21 their local area.

22 I don't think consumer groups would
23 necessarily want to encourage the kind of abuses we
24 have seen. In some states, where 911 fees are being
25 used to fund general government revenues, that is a

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1 truth in billing issue, which is different from this
2 panel's focus.

3 There is another issue. It goes back to
4 the fact that we use contracts. It is common for
5 everything we buy to have a quantity discount. So if
6 I subscribe to a magazine for 12 months, the price is
7 going to be per-month higher than if I sign up for a
8 few years' subscription.

9 The same is true with wireless service.
10 If you sign up for a one-year contract, you have a
11 different set of benefits and price points and for a
12 two-year point of view.

13 If carriers cannot recover these variable
14 costs that are imposed on them, it's a cost of doing
15 business but a cost that is not under their control
16 because the government mandates Kaglia or the
17 government changes the Kaglia cost recovery rules in
18 midstream.

19 As the FBI has petitioned the FCC and is
20 pending before the FCC right now, carriers will be
21 reluctant to enter into these long-run contracts
22 because they can't change the terms of those contracts
23 mid-year.

24 MR. HOROWITZ: Well, you can't do that
25 when you are buying your cell phone either. They say

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1 if you dump out of it before your year is over, it's
2 still going to cost you \$150 as a penalty.

3 So my feeling is I don't know why
4 industry, which is so ready to go out and criticize
5 the taxing system and all of that, doesn't come up
6 with a system that can make it workable because here
7 are the guys who are the brain trusts in these
8 businesses.

9 Why don't you find a way that it will work
10 so that it's honest and everyone can understand it
11 across the board? I don't think it's impossible. I
12 just think it takes manpower and brain power to do it.

13 MR. ALTSCHUL: Well, certainly there can
14 be responsibilities on all sides. If the government
15 is willing to provide stability the way it used to be
16 in the regulated residential telephone world, where
17 rates didn't change for eons. They changed at the
18 speed of glaciers, it would be a lot easier task for
19 what you are looking for. That is not the world we
20 live in.

21 MR. HOROWITZ: But it isn't the same
22 because that was caused by competition in the
23 marketplace finally. Companies like MCI that went
24 into long distances said, "We are going to lower the
25 rates." and then suddenly Ma Bell and the baby Bells

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1 were put into a situation that they had to do
2 something in order to compete.

3 And what they finally ended up going to
4 was court. The court said, "Okay, guys. We are going
5 to let you compete. We are just going to let you get
6 rid of all of the baby Bells," who had now become
7 monopolies like Ma was.

8 MR. ALTSCHUL: I'd love to engage you on
9 that discussion.

10 CHAIRPERSON ROOKER: Joe, I think you had
11 -- Tom?

12 MR. GORDON: Fast question.

13 CHAIRPERSON ROOKER: Very fast.

14 MR. GORDON: Patrick, back to Andrea's
15 question, have you ever analyzed consumer questions or
16 complaints about their billing as to whether they
17 write a check, have third party billing, or have
18 online billing?

19 Would you say that third party billing
20 will result -- third party payment; I'm sorry -- third
21 party payment results in less of a question or
22 complaint?

23 MR. PEARLMAN: Well, I guess in terms of
24 have we analyzed the complaints that have come in, I
25 guess no. Anecdotally we get complaints. You know,

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1 it's more of the attorneys in the office talking
2 amongst ourselves or talking online with other
3 consumer advocates.

4 MR. GORDON: Well, when someone pays a
5 bill through their credit card company, would they be
6 more prone not to complain?

7 CHAIRPERSON ROOKER: I'm afraid I'm going
8 to have to close it off. I only gave you one
9 question, Joe. I'm sorry. Our time is up. And I
10 really don't want to impinge more on the homeland
11 security presentation.

12 So I would like to thank all of you for
13 being with us today. You have been an excellent
14 panel. You have given us a lot to think about. And
15 it's lovely to hear agreements and disagreements.
16 Thank you very much.

17 (Applause.)

18 CHAIRPERSON ROOKER: We are moving on to
19 the homeland security issues. I really want to again
20 thank Mike Duke for taking over this job or starting
21 this panel at our last meeting.

22 They have done a lot of work. They are
23 going to give you a status report today. And then
24 probably in November -- I don't want to put pressure
25 on them, but I think in November, they will probably

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1 have some recommendations to make.

2 Again, I want to encourage you to go back
3 and read the summary of the points that were presented
4 at the summit, at the homeland security summit.

5 With that, I would like to turn it over to
6 Mike Duke.

7 PANEL DISCUSSION:

8 UPDATE ON HOMELAND SECURITY ISSUES

9 MODERATOR DUKE: Okay. As I said this
10 morning, the aftermath of September 11th has created
11 this new catch phrase called "homeland security,"
12 which is more than a phrase. It is a reality.

13 On March the 25th, the Federal
14 Communications Commission held a summit called
15 "Homeland Security and People With Disabilities."

16 Homeland security is for everyone. We
17 know that. But people with disabilities have some
18 special issues and concerns with homeland security as
19 they relate to communications and so forth.

20 Several people from this group attended
21 that meeting. They and some others have agreed to
22 give some brief presentations this afternoon. I will
23 have to ask my panel. If we are going to stay on
24 track, we have about a half-hour, as opposed to 45
25 minutes. But if you can adjust that appropriately, I

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1 would appreciate it.

2 And hopefully we will have a little bit of
3 time at the end for some questions and/or input from
4 the rest of you because that is an important part of
5 what we are trying to do in time for November.

6 Presenting to you this afternoon will be
7 Joe will go first, followed by Claude and then Brenda.

8 And then Ann has some comments for us as well. So we
9 will begin with Joe Gordon.

10 MR. GORDON: Really, the summary that Mike
11 sent all of us covers it all. And I just thought I
12 would add or emphasize a few of the points made in the
13 summary as far as homeland security or any emergency
14 applies to people with disabilities, particularly in
15 my case people that have a hearing loss.

16 I think it is important that we realize
17 that not every emergency is a terrorist attack. We
18 have to realize that there is fire and natural
19 disasters and weather conditions, which can cause an
20 emergency situation.

21 As far as people with a hearing loss are
22 concerned, things that we know and should know are
23 that we cannot normally always hear an alarm. We
24 cannot follow verbal instructions. And in the dark,
25 we're literally lost.

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1 That is important for emergency personnel
2 to realize and know. And they have been educated on
3 this in local geographical areas, either by consumer
4 organizations or by government regulation, the various
5 things that should be provided in emergency situations
6 whenever possible, sign language interpreters,
7 assisted listening devices, and captioning, whether
8 it's open or closed, on TV or hand-held devices,
9 wherever we can do that.

10 And emergency captioning on television
11 should be done correctly and promptly. It's important
12 if FCC realized what is an emergency in one area
13 should be captioned. As you know, the sniper
14 situation last year was something that fell through
15 the cracks and has been corrected.

16 The FCC has regulated since the early '90s
17 for telephones to be amplified and be hearing
18 aid-compatible. I know many people in the Wall Street
19 financial area when we did have the 9/11 situation
20 tried to pick up a street phone where there were wire
21 line phones that had a hearing loss, a mild or
22 moderate hearing loss. And they could not get through
23 because the phone was not amplified or was not
24 compatible with their hearing aid. It was working,
25 but it didn't have these features.

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1 So I think the FCC generally in cases like
2 this is reactive, not proactive, should periodically
3 send out reminders of what is required by
4 communication industry.

5 We all should know that a 911 call on a
6 wire line phone will give you the name, address, and
7 location of the person making the emergency call. But
8 in most cases, a 911 call on a wireless phone will not
9 give the information.

10 My consumer group that I am associated
11 with educates our members to give that information to
12 the operator when they make a wireless 911 call. And
13 we also tell them when they make a TTY or relay call
14 during an emergency, not to go through the relay
15 operator but to make their call direct.

16 The last thing that I want to share with
17 you, it's very basic but things that we put out in our
18 consumer deaf and hard of hearing organizations are
19 sheets with tips, which we have given to emergency
20 police, fire personnel in our areas telling them how
21 to communicate with a person that is deaf or hard of
22 hearing in an emergency situation or even when they
23 stop your vehicle, how to communicate to the person.

24 Thank you, Shirley or thank you, Mike.

25 MODERATOR DUKE: Thank you.

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1 CHAIRPERSON ROOKER: Thank you, Joe.

2 MODERATOR DUKE: Okay. Claude is next.

3 MR. STOUT: Joe did a wonderful job in
4 touching on the general characteristics of the deaf
5 and hard of hearing population. The deaf population
6 uses sign language. The hard of hearing population
7 uses hearing aids, cochlear implants. Some others
8 focus on sign language. Some focus on cued speech.
9 Some focus on tactile issues. Deaf people tend to
10 really rely on visual cues.

11 Joe did a wonderful job in mentioning the
12 different technologies that we are able to use as of
13 September 11th and after. Joe explained that we are
14 happy to see captioning on television. And we are
15 generally pleased with what we see on the national
16 network broadcasts that provide captioning with their
17 news reports.

18 However, a lot of local TV stations still
19 are not providing captioning for their local news
20 broadcasts. When we go to those local TV stations and
21 request for them to caption their local news because
22 if you know a lot of emergencies are happening in
23 local areas, especially in regards to homeland issues,
24 the local stations say, "We don't have enough
25 resources" and that "We are doing what we can."

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1 He talked about what happened in New York
2 City. And on September 11th, the event happened in
3 New York City, but with an airport in Nebraska, if an
4 individual is flying out of Nebraska and the Nebraska
5 airport was closed or basically all of the flights
6 that day were cancelled, how would we get that
7 information?

8 We would really depend on the captioning
9 of our local news station. And if we had seen that on
10 our local station, we wouldn't have made the drive to
11 our local airport. So some issues on a national level
12 are and become a local issue.

13 As Joe also mentioned, with the sniper
14 situation, that again reflects the frustration that
15 the disabled community has because we know that they
16 had regulations in place. But having access to
17 regulations on paper is one thing, but enforcing those
18 regulations is definitely another.

19 We filed complaints to the FCC about the
20 failure of five stations in this local area, in the
21 D.C. metro area, in regards to the sniper issue. We
22 continually filed complaints. And they ruled contrary
23 to our expectations. And so we filed complaint after
24 complaint. What happened is the FCC ended up
25 criticizing itself.

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1 As the threat of terrorism increases, we
2 are going to experience these things again. But we as
3 a disabled community want full support. And we want
4 support from television stations and local businesses
5 to be ready for these kinds of situations.

6 If there is a terrorist situation or a
7 national disaster, we want to be able to respond and
8 be informed as quickly and just as well as anybody
9 else in the community.

10 We would like the FCC and the business
11 community and local organizations to be more
12 open-minded in new technologies that are available and
13 that can be used that can become a system of
14 redundancy for television devices, closed captioning
15 devices, 911 services.

16 Like, for example, if the power goes out,
17 we can no longer rely on captioning from our
18 television. And neither can we rely on our computers
19 to gather information. But we still have two-way
20 pagers that we could use.

21 If we try to place a call to our 911
22 service, we can't use our TTYs because the TTYs are
23 charged with electricity. If we have a battery, the
24 battery will last one, maybe two days, but that is it.

25 To compound the problem, the 911 centers

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1 themselves are not updated. Their equipment, their
2 platforms, their software platforms, are not updated.

3 So as technology progresses, we are using
4 instant messenger. We are using two-way pagers. We
5 are using cell phones. We are using line phones,
6 internet services. But we only have access to the 911
7 centers if we use our TTY or our VCOs. We cannot use
8 our pagers. We can't use our text telephones. We
9 don't have access to emergency services that way.

10 So I think we need to work with the FCC
11 and work with other federal agencies to make sure that
12 the 911 centers receive enough funding to update their
13 technology and to maintain their accessibility to
14 everyone in our community in our time of need.

15 I think I will stop there. Thank you.

16 MODERATOR DUKE: Thank you, Claude.

17 Brenda?

18 MS. KELLY-FREY: Thank you for the
19 privilege of being able to speak to you this afternoon
20 about the homeland security summit. That is an issue
21 that is near and dear to my heart: Public safety.

22 I've done a lot of training in the State
23 of Maryland with the 911 centers to make them
24 accessible and knowledgeable about accepting TTY relay
25 calls as well as making phone calls back to the deaf

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1 consumers.

2 And I am working with the public, the
3 police department, and so forth to make sure that they
4 understand how to communicate effectively with
5 individuals who are deaf and hard of hearing. So I
6 guess this is another reason why I am involved with
7 this particular issue at this point, not just relay
8 issues but other issues as well. My parents are both
9 deaf. So I have a vested interest in making sure that
10 they're safe as well as their friends.

11 Dane Snowden on March 25th, he's the chief
12 of the consumer and governmental affairs. He said, "A
13 charge to homeland security should be for people with
14 disabilities to have a functionally equivalent
15 opportunity to survive." I think that was pretty
16 profound.

17 He said, "We don't want to look back and
18 say that the FCC was asleep at the switch." I guess
19 that is literally and figuratively.

20 I want you to be aware that many train
21 stations, subways, malls, shopping centers, strip
22 malls, and so forth, do not have TTY telephones. So
23 if there were to be an emergency, a deaf person
24 probably would not be able to communicate with family,
25 friends, or neighbors to find out what the emergency

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1 is, if they got a page that said something was going
2 on, or to find out if their family and friends are
3 safe.

4 What happens when there is an emergency
5 and a deaf or hard of hearing person is riding the
6 train or the subway? How are they going to get
7 evacuation information? What happens?

8 What ends up happening right now is they
9 end up herding like little sheep and following all the
10 hearing people to someplace unknown because the
11 hearing people hear what is going on audibly but they
12 don't get the information.

13 So the solution to this would be some kind
14 of a scrolling message throughout the train station,
15 throughout the trains, and so forth so that they know
16 how to be independent, what is going on, what the
17 nature of the emergency is, and what they should do.

18 Relay, as far as relay, we need to have
19 telephoner service priority restoration of relay. If
20 there were to be a disaster, natural or manmade
21 disaster, and relay centers would go down, we want to
22 make sure that the relay centers are put back up in
23 operation at the same time that, say, the 911 centers
24 are put up so that when a deaf person wants to make a
25 phone call, they are able to do so because 911 is

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1 their dial tone. Just like you and I pick up a phone,
2 it is our dial tone, relay is their dial tone.

3 We need additional information and
4 education about speech to speech. We need to make
5 sure that the 911 centers are fully capable of
6 processing calls and handling calls from people who
7 are speech-disabled.

8 There are people who sound perfectly
9 normal in their very beginning of their conversation.
10 When they are upset and excited, their voice,
11 speaking voice, deteriorates to the point where they
12 need the assistance of someone who will be able to
13 re-voice for them to make their message understood.

14 Nine, one, one centers and so forth,
15 emergency personnel need to be aware of this. It
16 sounds like they're going to be speaking just fine in
17 the very beginning. And then, all of a sudden,
18 something happens and they are no longer able to
19 express themselves.

20 We need to have backup generators at the
21 relay centers. I believe most of them do have that,
22 but we want to ensure that that is something that is
23 there in case the power were to go out.

24 And while we're speaking of backup
25 generators, I believe that the captioning centers

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1 should also have backup generators as well so that
2 their captioning will continue during emergency
3 situations.

4 We would also like to encourage that there
5 be a backup plan filed with the FCC in case the relay
6 centers are not able to handle their own calls, that
7 there be some agreements among other TRS providers so
8 that their calls are then routed to other TRS
9 providers, a different company, to ensure that
10 individuals are able to still make telephone calls.

11 There was a situation. It was a hurricane
12 in Florida. And there was a single provider for TRS
13 in Florida. And that center went down. The whole
14 State of Florida, their deaf and hard of hearing
15 population could not communicate at all because nobody
16 else was prepared. There was no agreement for another
17 vendor to take over the relay calls for that
18 particular state.

19 So imagine yourself in that particular
20 situation involved in a hurricane wanting to call to
21 get some help to check on how long this is going to be
22 and not being able to make a phone call.

23 Relay centers need to be able to handle
24 cellular calls so that they can handle cellular calls
25 to the relay and out to the 911 centers with the

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1 ability to be able to locate the individual. If and
2 when our cellular phones are able to have some kind of
3 a call locator for the 911 centers to be able to
4 locate us, we want that to be true when they are
5 calling through the relay centers.

6 We do suggest strongly that individuals
7 who are deaf and hard of hearing who rely on relay not
8 call relay when they have a 911 call. However, we all
9 know that in an emergency, you will be doing exactly
10 what you do on a daily basis to make your phone calls.

11 And that would be to pick up the phone and dial 711,
12 access relay, and say, "Please call 911 for me." So
13 we need to make sure that the calls are handled
14 properly.

15 I believe that is about it unless there
16 are any questions.

17 MODERATOR DUKE: Okay. We will come back
18 for questions in a moment. Now we have Ann from
19 National Association of Broadcasters.

20 MS. BOBECK: I just want to give a little
21 overview of what is in the big picture of homeland
22 security that we hear in Washington. And in NAB and
23 others who are in the room have been actively
24 participating in, particularly the FCC.

25 There is a thought that the emergency

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1 alert system, which is built on a very dated
2 architecture technology-wise, is not sufficient to
3 encompass today's technological world, that we really
4 need to branch beyond near public safety avenues of
5 radio and television to cover how public safety
6 officers communicate to one another, how you can
7 communicate via the internet, how wireless and wire
8 line can be all part of a common protocol, an all
9 hazard warning system. If you think about it, there
10 are numerous ways and creative ways that we can
11 address these issues.

12 Congress right now has pending legislation
13 for an all hazard warning system a national alert
14 system, to fund via the Department of Homeland
15 Security an all hazard warning system. I strongly
16 encourage as that legislation may or may not pass, but
17 it certainly as to DHS, the Department of Homeland
18 Security, is addressing these issues that the persons
19 in this room get actively involved and let them know
20 the needs of the disability communities.

21 Another group that is very active in this
22 arena, the all hazard system warning arena, is the
23 Partnership for Public Warning. Their Web site is
24 www.partnershipforpublicwarning.org. They are very
25 actively looking to see. In fact, they have a report

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1 from last year on a best practices protocol for
2 national homeland security disaster plans. They are
3 also very tied into not only the FCC, the DHS, but the
4 public safety network community on the ground in the
5 state and local jurisdictions.

6 In addition, the FCC is rumored to have
7 been perhaps releasing a notice of inquiry or some
8 other similar vehicle in the near future to discuss
9 revamping the EAS system or asking, "What can we do to
10 encompass a broader spectrum of telecommunications
11 services?"; be it EAS or another system. So we will
12 wait and see how the FCC -- how that pans out here in
13 the next coming few weeks or months.

14 Finally, the NOAA, the National Oceanic
15 Administration, and the Department of Homeland
16 Security yesterday had a press release announcing that
17 they have a memorandum of understanding for their NOAA
18 weather radio alerts. So if you see in the newspapers
19 today, as Joe pointed out, they have already hit the
20 press with details.

21 And anyone who wants a copy of that press
22 release, I will be sure to give a copy to Shirley so
23 she can distribute to the group. That is very forward
24 thinking in terms of how do we get, at least for the
25 visually impaired, an ability to get a weather radio

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1 out there. And thinking creatively in the future is
2 something that we can expand to video capacity.

3 So those are just a number of issues. DHS
4 is definitely taking an active role in updating,
5 streamlining an all hazard alert. And I think it is
6 incumbent upon this group to be a participant in it.

7 MODERATOR DUKE: Thank you, Ann. As you
8 can tell, this is a complex issue that involves
9 multiple areas of information distribution. And we
10 have not even today and won't have time today to even
11 talk about the redundancy issue, things that must be
12 built into the system. That is being discussed within
13 the workgroup as well.

14 So for the time that we have left, we
15 would like to open the floor up for any questions or
16 discussion that any of you may have that relate to
17 this subject that would give the Committee a bit of an
18 indication of some possible directions to move in.

19 CHAIRPERSON ROOKER: I had one comment,
20 Mike. In listening to it and then going through the
21 summary of the summit, I noticed that there is a lot
22 of focus on the deaf and not as much focus on blind.
23 We haven't at all talked except one brief mention by
24 Ann about issues affecting people who are blind.

25 Although I can't speak to that, really I

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1 can tell you some of the things that are in this
2 summary that I thought were particularly fascinating
3 to me.

4 I think, Ann, one comment here -- and
5 Scott and I were talking about this earlier -- a
6 number on a TV screen and an announcer saying, "Call
7 the number on your TV screen" just simply doesn't
8 work.

9 MODERATOR DUKE: Right.

10 CHAIRPERSON ROOKER: So that is one of the
11 little things that people need to think about and that
12 needs to be concerned. That is so easy to correct,
13 but I don't think most of us think about it.

14 That was one of the things I saw. Another
15 issue that was raised at the summit that I thought was
16 particularly intriguing -- and I don't know the answer
17 to how you do this, but there is research going on
18 constantly in the Department of Defense and in other
19 government agencies.

20 Many or some of it may be applicable to
21 people with disabilities. For example, I learned from
22 Scott today that one of the early versions of Braille
23 was developed to help I think pilots. Was that right,
24 Scott?

25 MR. MARSHALL: No. Napoleon's army.

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1 CHAIRPERSON ROOKER: Napoleon's army.
2 Napoleon's army to communicate at night. And other
3 things have come out of some of the developments for
4 military, for example. So that is just another thing
5 to think about as to how those things might be useful.

6 Anyway, I didn't mean to take up so much
7 time, but I just kind of felt compelled to make a
8 couple of comments here.

9 MODERATOR DUKE: Yes. This is a very
10 thorough summary that was supplied to us thanks to Joe
11 by way of the Northern Virginia Resource Committee, is
12 it, Joe, for --

13 MR. GORDON: Center.

14 MODERATOR DUKE: Center. Northern
15 Virginia Resource Center for the Hard of Hearing. And
16 we appreciate them sharing that with us and allowing
17 us to use that. It is a very, very good, very
18 accurate summary of the meeting that occurred during
19 that day.

20 Blindness issues certainly will be a part
21 of what we do as will any number of other disability
22 issues. There are some that are outside the parameter
23 of the group in some respects, like how do you get
24 people from point A to a shelter or whatever, but
25 other groups are working on that as well.

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1 Any others?

2 CHAIRPERSON ROOKER: David has a question.

3 MR. POEHLMAN: Not so much a question, but
4 the issue of homeland security is touching a lot of
5 diverse information-processing arms, I suppose, if you
6 will. In a group that I am working with, one of the
7 things that we are talking about is a way to provide
8 information in parallel modalities such that a couple
9 of things happen.

10 One of them is that there are appropriate
11 modalities that will provide information for each
12 requirement for that modality, such as audible
13 information for people who require audible
14 information, visually provided text information for
15 those who require it, and other types of feedback and
16 processing as well.

17 And one of the unique aspects to this that
18 would be addressed would be also appropriate
19 information for where you are. For example, there
20 could be a worldwide security alert system or
21 emergency alert system, but if I am in Copenhagen, I
22 don't really need to know what is going on in Helsinki
23 necessarily. But at the same time, if I am on North
24 Avenue and what is happening pertains specifically to
25 North Avenue, I need to know.

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1 So this is the kind of thing and the kind
2 of complexity that we deal with when we talk about
3 alerting systems. And I think trains, malls, buses,
4 taxicabs, aircraft, public places of all kinds figure
5 into this.

6 And there needs to be a very detailed,
7 very concerted, ground floor up effort to provide the
8 appropriate venue under the appropriate circumstances
9 in the appropriate geographic setting.

10 MODERATOR DUKE: That issue was raised
11 this morning specifically as it applies to FM
12 translators and television transmitter translators
13 that are unattended and that often are fed by
14 satellite systems.

15 An example was given where a county in
16 Utah and one in Alabama had the same name. And the
17 county in Utah got the flash flood warning for
18 Alabama, et cetera. So that issue is on the plate.

19 I wasn't trying to cut you off, but --

20 MR. POEHLMAN: No, no. That's fine.
21 That's about all I had.

22 CHAIRPERSON ROOKER: Do we have any other?
23 Let me see. Susan Mazrui? Susan, go ahead.

24 MS. PALMER-MAZRUI: I'm actually speaking
25 from a Vienna resident perspective, rather than

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1 Cingular. I want to reiterate what Claude said about
2 the importance of having the ability to access local
3 information and looking at emergencies beyond the
4 initial tragedy or event.

5 For example, today I might be able to tell
6 that there is a hurricane coming, but in the last
7 hurricane, I actually called the city to find out if
8 we could drink the water, was told it was okay. Then
9 it was later broadcast on television but not elsewhere
10 that I am aware of, not even a Web site, saying it was
11 not okay to drink the water.

12 So those types of things also need to be
13 addressed when we are looking at emergency situations,
14 not just the grander major terrorist attack but the
15 long-term effects that affect. If we're sheltering in
16 place, if we're doing something because of a chemical
17 spill, or whatever, that type of information as well
18 needs to be accessible.

19 MODERATOR DUKE: Right. It's not all
20 terrorist-related. The terrorist thing gets the
21 spotlight right now just because it's such a hot
22 topic. The intent of homeland security overall is to
23 go well beyond terrorism and cover any of this. It
24 does make it a complex issue.

25 CHAIRPERSON ROOKER: Do we have one other

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1 question? Did somebody have their hand up? No?
2 Claude?

3 MR. STOUT: I want to make an additional
4 comment. David is correct in what he mentioned. Our
5 communication information system needs to be more
6 universal in how we access information on a daily
7 basis.

8 For example, on our highways, there is a
9 visual massaging system that says if you have a car
10 wreck, dial 77 or if there happens to be an accident
11 somewhere on the road, call this number for the
12 police. I see the sign, and I can't call the police
13 myself. So the signs need to provide more information
14 on what is happening exactly on the road in front of
15 us.

16 A lot of us here in this room depend on
17 listening to the radio as we drive in our cars.
18 That's audio communication. If we could get some sort
19 of textual support in combination with the radio, that
20 would help us.

21 Our hope is that his working group on our
22 list of recommendations will recommend to the business
23 community to work with the disabled community in
24 developing new technologies that will ready us and
25 also help us to recover from disasters.

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1 CHAIRPERSON ROOKER: That's very
2 thoughtful comments, Claude. Thank you.

3 We did take a few minutes extra because I
4 felt guilty that we had cut short the homeland
5 security presentation. I thank you for your
6 graciousness because we only had one shot at the
7 people from the truth in billing issues, but we are
8 going to. In our next meeting, we will be talking
9 about this at length. We will be working with the
10 working group to make certain that we give them
11 adequate time and that we can do whatever we can to
12 support them. So thank you again for your generosity
13 today.

14 We are going to take a brief break because
15 we have some other people who want to make a couple of
16 comments. So if you could be back here sharply at a
17 quarter after, please? Thank you.

18 (Whereupon, the foregoing matter went off
19 the record at 3:05 p.m. and went back on
20 the record at 3:16 p.m.)

21 CHAIRPERSON ROOKER: Mr. Adelstein sends
22 his regrets. He's been very generous with his time in
23 coming and speaking to this group, but, unfortunately,
24 he was on the eastern shore today, and he's stuck in
25 traffic. He can't get back here. So, well, you know

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1 Friday afternoons. At any rate, he sends his regrets
2 because he, as I said, has been very generous with
3 giving his time and coming to speak with us. So we'll
4 hope to see him in November.

5 In addition to that, Susan Mazrui has
6 asked me for a couple of minutes, and then Scott needs
7 a couple of minutes. Am I right, Scott? No, we took
8 care of Scott. All right, okay. Susan, go ahead.
9 Put your hand up again.

10 MS. PALMER-MAZRUI: I think it's because
11 I'm short, they can't see me. I am dismayed. I have
12 had the opportunity to meet with many commissioners
13 and their staff and have been very impressed with the
14 dedication they have toward making the FCC and the
15 comment process and everything involved as assessable
16 as possible for people with disabilities. But
17 recently, I've seen a change. Now, one of the things
18 that may be leading me to believe this is we did put
19 in comments. We made recommendations and asked for
20 status back. Well, maybe this meeting is too crowded
21 and we couldn't do it this time, and we'll get it next
22 time.

23 But I've also noticed things in terms of
24 the accessibility of the meetings themselves, both
25 this meeting here and the meetings in between. For

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1 one thing, not having access to documentation that's
2 on an ongoing basis like we've had in the past. For
3 example, if we're reviewing a document and need to
4 make comments, at least three of us can't do that. We
5 can't participate fully unless we have that access.
6 It's been there in the past, it's worked in the past,
7 it's not working now. And if you want participation
8 by people who are blind, and I honestly believe that
9 that's the case, the quality has to improve. You need
10 to get more immediate information.

11 In addition to that, and this may be a
12 misinterpretation on my part, other people can
13 comment, I think it's been harder to try to schedule
14 meetings in between. We're trying to do
15 teleconferences, which I think aren't really
16 assessable for people who are deaf. And, finally, my
17 concern is that if we're having this much difficulty
18 in this meeting and we're guests of the FCC and
19 probably get some special attention, what happens when
20 we're outside? And the example that I can give is I
21 requested a document last month. To date, I don't
22 have that document in Braille. They have called me
23 back to say they've received it. They've been very
24 responsive, but the response isn't when anything is
25 going to be available. I don't know.

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1 And had this occurred during a comment
2 cycle, that would mean that I would either have to pay
3 a lot of money to personally have this done, or I
4 would have to not comment or file late, perhaps too
5 late to make an impact on the decisions. And I really
6 think that that's against the intent expressed by the
7 FCC as a whole. I know they're great people, not just
8 at the commissioner level and the staff level, but the
9 people I work with, and I'm just really very, very
10 concerned.

11 I don't think it's a message that the FCC
12 wants to convey. You know, it is the Federal
13 Communications Commission. They really set a good
14 example in the past, and I really hate to see it lost.

15 CHAIRPERSON ROOKER: Susan, thank you, and
16 we're sensitive to the fact that there have been some
17 changes. I think Scott is going to address that for
18 just a minute.

19 MS. PALMER-MAZRUI: And I would hope if
20 David or Claude or Mike have some suggestions, I kind
21 of hogged the mike there, but please comment.

22 MR. MARSHALL: Am I on? Okay, good.
23 Susan, thank you for your comment, and let me just
24 assure you that we want our meetings to continue to be
25 the model of accessibility that they have been in the

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1 past. I was in your group this morning and, as you
2 know, we have had the loss of our in-house assessable
3 documents person quite recently, and we're trying to
4 work out those details. But all that having been
5 said, I hear your concern, and I hope you'll convey
6 it, and you have, and that we can work out these
7 difficulties and fill that position quickly, so we can
8 provide documents in a timely fashion, as we have
9 previously.

10 But I am very much aware of the current challenges
11 that we're facing, given the fact that we've had to
12 use contractors and that sort of stuff, especially for
13 this meeting.

14 CHAIRPERSON ROOKER: Susan had further
15 comment.

16 MS. PALMER-MAZRUI: I just hope that ?-

17 CHAIRPERSON ROOKER: Put your hand up.

18 MS. PALMER-MAZRUI: I just hope that
19 people making the decision about the in-house and
20 whatever services that are occurring to provide access
21 understand that when they don't, it's like saying,
22 "Okay, now we're having a meeting, but all the blond
23 people better leave the room," or all the women or all
24 the people of certain colors. It's the same type of
25 situation, and it needs to be understood in that way,

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1 as well.

2 CHAIRPERSON ROOKER: Do you think that
3 this is something that we should comment on formally?

4 Scott, what would be the procedure for making sure
5 that notice is brought to the attention of the FCC
6 about this?

7 MR. MARSHALL: Certainly, the committee is
8 welcome to write a letter, and I will certainly convey
9 this conversation to Dane. But you certainly are
10 welcome to write to him at any time with concerns, and
11 that can be done.

12 CHAIRPERSON ROOKER: Susan, it might not
13 be a bad idea if you want to draft a letter and send
14 it to the, as a member of this committee, to send it
15 to Dane expressing your concerns. I think I'd put it
16 in writing, if you don't mind doing that, or an e-
17 mail.

18 MS. PALMER-MAZRUI: I'd be happy to do
19 that, and I'll ask some help from other members. But
20 just as an advisory, because I think it's not the
21 intent of the group, by any means.

22 CHAIRPERSON ROOKER: I don't believe it is
23 either. I think it's circumstances that are dictating
24 what have happened here, rather than loss of interest
25 or wanting to make this assessable to everyone. I

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1 mean, that's my own personal observation. David has a
2 comment. We're going to have to move it along because
3 I don't want to take time. We've got a presentation
4 from David Brugger coming up, so David?

5 MR. POEHLMAN: I just wanted to mention
6 that -? Dave Poehlman with the American Council of the
7 Blind. I just wanted to mention that, this morning,
8 for example, we were told that we didn't receive a
9 document because it wasn't assessable, it wasn't
10 available in an assessable format. And, you know, my
11 feeling is that, you know, the whole committee
12 shouldn't be denied a document just because, you know,
13 some of us might not be able to process it. If the
14 only format it's available in is a format that's not
15 the best format in the world, then we should be made
16 aware of that and then provided with a document, and
17 somebody can find some way to process and get it to
18 those who need an assessable form.

19 I think we're willing to help, and I don't
20 think Susan meant to imply that you're going to lose
21 blind people's support and participation, but what we
22 will lose with this committee is effective
23 participation by those of us who require assessable,
24 alternate formats.

25 And I just have one more short little

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1 thing. If we could somehow get some kind of response,
2 impression of the things that we requested be looked
3 into from the modernization, from the FCC
4 modernization subgroup, it would be helpful because we
5 would like to move forward and we would like to work
6 with the FCC to put some of these things in place that
7 we brought out and that were recommended through the
8 entire CAC. So that's what Susan was referring to in
9 the first part of her message.

10 CHAIRPERSON ROOKER: Okay. Thank you,
11 David. Andrea, one fast comment, and we've got to
12 move on.

13 MS. WILLIAMS: In that letter, one quick
14 thing that I would like to add, I'm very concerned,
15 particularly of individuals who are blind, trying to
16 participate in open proceedings where there are
17 deadlines that need to be faced that the Commission
18 have ?- you know, believe me, I understand with
19 contractors, these things happen, but additional time
20 be given those individuals who are waiting for
21 documents, particularly in rulemaking proceedings,
22 complaint proceedings, that they be given additional
23 time to submit their comments and should be able to
24 file late.

25 CHAIRPERSON ROOKER: Thank you. I

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1 appreciate that. Claude, you have one comment, if it's
2 brief, please.

3 MS. STOUT: Yes, Shirley. I would like to
4 make a suggestion to you, Shirley, as our chair,
5 before every meeting or before each workgroup meets to
6 make sure that all accessibility support is being
7 provided. Otherwise, we can't have these meetings, or
8 we can't have our working group meetings because if
9 there's accessibility provided to the deaf,
10 accessibility needs to be provided to the blind, no
11 less, no more.

12 CHAIRPERSON ROOKER: You're absolutely
13 right. As far as your working groups are concerned,
14 I'm afraid that my time just doesn't permit me to do
15 that. I would have to leave it up to the working
16 groups to address that issue with the Commission if
17 it's necessary. But as far as the regular meetings, I
18 will convey to Dane the concerns that you've
19 expressed. And I think your letters, your e-mails, or
20 however you wish to communicate with him, would also
21 be useful in expressing that. But as I understand it,
22 this is a matter of not lack of support but lack of a
23 person who left that has not been replaced yet. So as
24 far as I can tell, I'm hoping that, by November, this
25 will be resolved. Is that correct? Am I right on

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1 that, Scott?

2 MR. MARSHALL: No one would hope more than
3 I this will be resolved by November.

4 CHAIRPERSON ROOKER: Yes, exactly. At any
5 rate, we will do everything we possibly can to make
6 sure that this situation doesn't occur again. So,
7 anyway, and I really appreciate your comments on it.
8 Thank you.

9 Now, we've got a presentation from David Brugger, who
10 is with the broadband working group, and he's going to
11 bring us up-to-date on what they're doing. We're not
12 going to be asking for a vote by the committee today,
13 but we do have some other.

14 But before we do that, I have got to find
15 out who needs taxis for this afternoon? Let me see
16 the hands. We've got one, two, three, four. All
17 right. Is anyone going to Nashville? Who's going to
18 Nashville? Only one, Cindy Cox. So we'll have four
19 cabs then, okay? All right. We need four cabs here
20 at 4:15, 4:10, thereabouts. Yes, about 4:15. Does
21 that work? Okay, 4:00? We'll probably be out by
22 4:00. Yes, I think so.

23 Okay, all right. Moving right along. Was
24 there anybody else that I was supposed to recognize
25 for comments? Debra?

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1 MS. BERLYN: Very quickly. We discussed
2 this in our consumer outreach working group today, and
3 I promised that I would bring it up before this full
4 group. We're not sure where it actually fits in, but
5 I would like to have some sort of task group or
6 working group or subworking group, subcommittee take a
7 look at the process that the FCC is going to undertake
8 to rewrite the local competition access rules
9 following the DC Circuit Court decision. And I'm not
10 sure what our timing will be like, but, as Shirley has
11 explained, what I was hoping is that we might get some
12 sort of task group together shortly, work on it, and I
13 guess aim for our November meeting for some sort of
14 action.

15 CHAIRPERSON ROOKER: We'd have to bring it
16 before the full committee before we could make
17 presentations, so that's why it would have to be in
18 November. Whether or not that's going to be timely or
19 not, I don't know. I suggest that anyone who's
20 interested in doing this contact Debra. We just don't
21 really have time right now to do that.

22 MS. BERLYN: That's fine.

23 CHAIRPERSON ROOKER: I would also like to
24 say that in the broadband discussion group this
25 morning, they are going to look at the issue of

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1 digital television. And anyone who would like to
2 participate in that broadband group, please let them
3 know and join them. You can do that by e-mail to
4 Scott. He can make sure he puts you on the list for
5 the braodband group, as well, because we are going to
6 be looking at digital. We are going to do that over a
7 period of some months, I think.

8 So, anyway, I'm sorry, David. Go ahead.
9 David Brugger.

10 MR. BRUGGER: The broadband working group
11 has been discussing a list of items, which I know were
12 sent out by Scott Marshall to you, and it's issues of
13 concerns to consumers. There are 11 different areas
14 that we've identified of concern to consumers so far,
15 and I won't go through them all because you've
16 received that document having to do with consumer
17 choice, consumer complaints and problem solving, 911
18 safety emergency services, disability access, access
19 to content, full disclosure of technology and
20 services, broadband transport and choice of ISP, law
21 enforcement, privacy, rates, and rural broadband
22 networks.

23 We've been using a template to first
24 create a statement or a definition of a consumer
25 broadband issue. Secondly, we've been adding relevant

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1 and supporting facts. And, thirdly, we plan to move
2 to working group points of view on each issue.

3 For example, if you look at the second
4 one, consumer complaints and problem solving, there is
5 a statement of what that issue is and addressing how
6 that might be handled. The relevant and supporting
7 facts were added to explain how various government
8 agencies handle consumer complaints and solve
9 problems. For example, federal agencies, such as the
10 Federal Trade Commission and Consumer Product Safety
11 Commission do not mediate or resolve individual
12 consumer complaints. So we summarized information
13 about how they do handle that issue.

14 Then we looked at how the FCC handles it,
15 how state and local consumer affair agencies handle
16 those issues, how state government agencies, like
17 consumer protection departments and attorney general
18 offices handle those, looking at how local government
19 consumer affairs agencies do that. We bring these
20 statements to you today not with all of the relevant
21 facts and things we've collected so far, but,
22 basically, to look at what we've been doing, the fact
23 that we think there's no other FCC activity asking
24 consumer reps what they think about these issues. And
25 we thought that you should be involved in this process

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1 in terms of identifying the most comprehensive list of
2 issues that we could have concerning broadband and
3 what consumers, what consumers' concerns are about
4 that. We believe it would be good for the FCC to have
5 a primer of what consumers are thinking and on this
6 committee's view of what people are thinking about
7 broadband in terms of their issues.

8 Just to give you an idea of some of the
9 questions we've been asking ourselves, and we think
10 that we want you to consider with us, is what issues
11 are not here that ought to be here? What issues are
12 here that maybe you think don't belong on the list of
13 consumer issues?

14 Once we have a list of all these issues
15 that the CAC believes should be on the list, do you
16 have recommendations about what the next steps ought
17 to be with those issues? Should we be working toward
18 action recommendations for the FCC? Is it just enough
19 to make sure that the FCC has a list of issues about
20 which we think they should be aware? Can this list of
21 issues serve as a background for the FCC as a working
22 document to address issues of concerns to consumers
23 concerning broadband? Does this simply become part of
24 the record of the CAC in that it lays out the concerns
25 of consumers as we see them and as their

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1 representatives? Is it possible that each of these
2 issues could be a purpose for other working groups,
3 assuming this Consumer Advisory Committee continues
4 over the next two years? Maybe each could be part of
5 a study or an action plan.

6 If you have questions about that, we have
7 people here who can answer those questions. But we're
8 more concerned about whether you have anything to
9 contribute to the process that we're going through,
10 whether you have issues about broadband that might be
11 of concern to consumers that you could contribute for
12 the consideration of our working group.

13 CHAIRPERSON ROOKER: David, would it be
14 useful in the discussions that you're going to have
15 over the next coming months before our next meeting,
16 would it be useful to circulate to all of the
17 committee members the comments and things that you
18 all are doing? I mean, in other words, make everybody
19 kind of a submember of the broadband working group and
20 putting them on your e-mail list, as well as the
21 regular subcommittee group? It's Friday afternoon,
22 and I can't talk.

23 MR. BRUGGER: They have a list of the
24 statements of what the issues are currently.

25 CHAIRPERSON ROOKER: Okay.

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1 MR. BRUGGER: And I guess the question is
2 is there something there that should be there that's
3 not there.

4 CHAIRPERSON ROOKER: So what you're asking
5 for is for us to provide comments to you before
6 November, right?

7 MR. BRUGGER: Right.

8 CHAIRPERSON ROOKER: Okay. So I'm sorry,
9 I just wanted clarification. Go ahead.

10 MR. BRUGGER: Okay. Dave Poehlman.

11 MR. POEHLMAN: Thanks. And also I think
12 if people in the room have particular expertise that
13 they can lend to the development process moving
14 forward because this is such a tremendous undertaking
15 or could be such a tremendous undertaking, that would
16 be helpful, too, if you feel that you have something
17 you can contribute, not just whether or not there's an
18 issue or do you have an issue or is there an issue
19 that shouldn't be here, but, "Oh, I'm looking at this
20 issue, and it's right up my alley. I know a lot about
21 this. I've studied this for 20 years. Let me get
22 involved in this." Okay. Please, you know, come to
23 us. We're very happy to work with people who have
24 expertise in the various matters. So, you know, so
25 we're looking forward to that.

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1 CHAIRPERSON ROOKER: Do we have any other
2 comments? David, is that ?-

3 MR. BRUGGER: It's open for discussion or
4 comments or anything they can contribute.

5 CHAIRPERSON ROOKER: They've put, I can
6 tell you this group has been working so hard. They
7 put so much effort into what they've been doing.
8 There's been a lot of thought and a lot of discussion
9 because I get the e-mails from everybody, and I know
10 they've been working very, very hard. So I'm hoping
11 that you will take a look at these issues and give
12 them your input. I think it's very important that we
13 all give input, keeping in mind that we're going to be
14 discussing this in November, so you need to be up to
15 snuff on it so that you can give your opinions. Does
16 anybody have any questions or comments? Okay. Hold
17 your hand up again. They've missed you.

18 MS. CLECKNER: Annette with MCI. David, I
19 was just wondering did you include universal service
20 issues in your list of issues here? I don't see it
21 right off. I didn't know if you like lumped it
22 together in one of these 11.

23 MS. BURNSTEIN: I think that it was part
24 of the discussion under the rural broadband networks.
25 It was part of what was in there, but if it should be

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1 elsewhere, as well, you know, let us know.

2 MR. BRUGGER: Thank you, Annette.

3 CHAIRPERSON ROOKER: Okay. Any other
4 questions or comments? All right. Last chance.
5 Going one, two. It's Friday afternoon after all. It's
6 late in the day, right? I've been vacationing most of
7 this week. What am I doing back here working? At any
8 rate, okay, then we will hope that you'll give input
9 to the group before the November meeting, reading all
10 the issues. And since we have just a couple of
11 minutes, Debra, maybe we should go back and ask people
12 if they want to form a task force. We've got about
13 five minutes before we have the public comments
14 section. Do you want to do that now? Why don't we
15 just do it now? We've got time. It will save you
16 some e-mails.

17 MS. BERLYN: Yes. I guess the thing to do
18 at this point is to see if there are other members of
19 the CAC who are interested in doing that and, if so,
20 we will form a group and start to meet over the course
21 of the summer and early fall.

22 CHAIRPERSON ROOKER: All right. What kind
23 of interest do we have in doing this? This would be
24 to provide information to the FCC on what we believe
25 should be some considerations in the rulemaking

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1 process.

2 MS. BERLYN: Yes. And I realize I've been
3 giving it very short, you know, the code name, the DC
4 Circuit Court case, but a lot of folks may not realize
5 what the implications of that are. So very briefly,
6 the FCC released an order in early 2003. It was
7 called the Tri-Annual Review Order, and it basically
8 laid the rules for competitors' access to the local
9 network in order for those competitors to offer
10 services to consumers, competitive services to
11 consumers.

12 Those rules were overturned by the DC
13 Circuit in early March, and now the FCC will be
14 rewriting those rules. So it basically governs
15 consumers' access to local competitive services.

16 CHAIRPERSON ROOKER: Okay. So does that
17 push somebody's button? Are you interested in
18 participating in doing this? Oh, we've got hands.
19 All right. Let's take notes and sign them up. Who
20 have we got here? We've got Annette, Cindy, Chris,
21 and Joy. Anyone else? Okay. Scott will send an e-
22 mail to the entire committee asking for interested in
23 joining, and he'll set up an e-mail list for you so
24 that it will make life easy. He does that for us, you
25 know. And anything else that we need to do on that?

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1 Well, thank you, Debra. I'm pleased that we've set up
2 an ?- Andrea?

3 MS. WILLIAMS: Yes. I'm going to ask you
4 another question. It's more of an administrative.

5 CHAIRPERSON ROOKER: Well, we're through
6 with that. Let's move on.

7 MS. WILLIAMS: Andrea Williams from CTI.
8 Shirley, just from an administrative standpoint, I
9 know November will be this committee's last meeting.
10 How do you want to handle -? I know you don't want to
11 be overwhelmed with every working group having
12 recommendations. How do you want to handle that in
13 terms of particularly some of us who will be working
14 over the summer? Do you want written recommendations
15 submitted by a certain time? That would be helpful to
16 know so we can plan accordingly.

17 CHAIRPERSON ROOKER: Yes, that's a very
18 good question, Andrea, and we are sensitive to the
19 time issues. We probably, of course, won't have a
20 working group meeting that day, so we'll have the
21 entire day to deal with the issues that we feel are
22 important. What I would like, if you can do it, for
23 any of your working groups, it would be excellent if
24 you could suggest and submit, circulate a document
25 that has some of the things that you're considering.

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1 This doesn't have to be the final document or the
2 final recommendations, but it could be what you're
3 thinking is as you go over the summer doing this work,
4 letting everyone know. Do you think that would work,
5 Scott? Yes.

6 MR. MARSHALL: We would need to know if
7 there's going to be recommendations six weeks out.

8 CHAIRPERSON ROOKER: Okay. Did you hear
9 that? The FCC needs to know six weeks out if there's
10 going to be recommendations presented.

11 MR. MARSHALL: Right. And that's only to
12 get it into the federal register.

13 CHAIRPERSON ROOKER: That's to put it in
14 the federal register. Right, that's not Scott's rule,
15 he tells me. I don't know if I believe that or not.
16 But at any rate, yes, so about what? The first of
17 October?

18 MR. MARSHALL: Yes.

19 CHAIRPERSON ROOKER: Yes, approximately
20 the first of October, it would be necessary to know
21 from the working groups if you are going to make
22 recommendations to the committee that we would vote on
23 in the November meeting. So we will be doing a lot of
24 stuff.

25 MS. WILLIAMS: So circulating really the

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1 first week of September or right after --

2 CHAIRPERSON ROOKER: If you could start
3 circulating things in early September or even August,
4 if you've progressed that much, so that we'd have time
5 to give input to what you're doing.

6 MS. WILLIAMS: Okay.

7 CHAIRPERSON ROOKER: And just let Scott
8 know that you want these circulated to the entire
9 committee for comment, and that would work. Yes, we
10 want you to work on Labor Day is what David is saying.

11 It's called Labor Day. Why should you have a day of
12 rest, for goodness sakes? Okay. I think that takes
13 care of most of our business. Anything you need, of
14 course you can call us or e-mail us. Thank you all so
15 much. I can't tell you how exciting it is to be part
16 of this group because you all are doing some great
17 things. I'm just very, very thrilled with it.

18 At any rate, now it's time for our public
19 comment section, and I believe we have someone who
20 wants to make a public comment. If you would
21 introduce yourself, please.

22 MR. CREAGAN: Yes. My name is Tim
23 Creagan. I'm the Director of Consumer Training for the
24 ITAC project. My name may be familiar to those of you
25 who've looked inside your packets and seen the

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1 brochure. The reason I'm bringing this up, I'm
2 working for a project that's funded by NIDRR, the
3 National Institute on Disability and Rehabilitation
4 Research. And one of the things that we have put
5 together is a compendium of all the disability laws in
6 the United States. Included in here are, obviously,
7 Section 255 of the Telecommunications Act and Section
8 508 of the Rehab Act. These materials are available
9 for anyone for free in any quantity you would want
10 them.

11 As Director of Consumer Training, I've had
12 the opportunity to travel around the United States and
13 present to consumer groups on what their rights and
14 obligations are under Section 255 of the Telecom Act
15 and under Section 508 of the Rehab Act, and I've had
16 the opportunity to share some of that with FCC staff.
17 One thing that comes out is that more information is
18 always good. It's really surprising how many people
19 are not that aware of 255 and how many people are not
20 aware that they need to speak up.

21 As members of this committee, I think that
22 you would be very interested in this, and I think this
23 would be an excellent resource for you to take back to
24 each of your various constituencies. If any of you
25 have any questions, you have my contact information,

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1 and I would be very happy to discuss the materials
2 with you.

3 These are funded by our government and the
4 whole purpose is to have an engaged and informed
5 citizenry. Thank you.

6 CHAIRPERSON ROOKER: Thank you very much,
7 Tim. We appreciate your taking the time to come here.

8 It's a very impressive-looking brochure. I like the
9 free beside all those things.

10 MR. CREAGAN: Yes, that's our government
11 at work.

12 CHAIRPERSON ROOKER: Very much so. That's
13 exactly right. But at any rate, thank you. We
14 appreciate your being here. Do we have any other
15 public comments from anyone? Are there any concerns
16 that you all have that we might need to discuss in the
17 ten minutes before you get to run out the door? I
18 mean, you know, you can either talk or sit here and
19 look at each other. They did not lock the doors. I
20 swear we can get out.

21 (Laughter.)

22 CHAIRPERSON ROOKER: At any rate, all
23 right. Well, then I think we're ten minutes early
24 today. My goodness. You all have behaved admirably.
25 Thank you so much. Have a wonderful summer. We'll

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1 look forward to hearing from you. Susan, I have to
2 thank you again. You were not here when I thanked you
3 for the wonderful food, but she's saying be sure to
4 leave your badges, along with your things. Yes, don't
5 take your badges with you. We do recycle. And Susan,
6 again, I'd like to thank you. Lunch and breakfast
7 were excellent, so Cingular was very nice.

8 By the way, we need somebody to pay for
9 November's lunch and breakfast. Do we have somebody
10 volunteering? Somebody's going to volunteer. We're
11 going to lock the door until you do. All right. I'll
12 go scrounge up money for food. Thank you very much.
13 I'll send an e-mail. You won't get out of it.

14 (Whereupon, the foregoing matter was
15 concluded at 3:49 p.m.)

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