

When Your Preferred Telephone Company Is Switched Without Your Permission - "Slamming"

FCC Consumer Facts

Background

Equal access allows telephone subscribers to choose a preferred or authorized telephone company or telephone companies to handle local toll and long distance toll (including international) calls from their traditional, wireline telephones. Where equal access is available, subscribers may choose separate preferred telephone companies for each of these services, or one preferred telephone company for both of them. Subscribers can place local toll and long distance toll calls using their preferred telephone company or companies by dialing 1 (or 011 for international calls) plus the appropriate code and telephone number. Subscribers can place calls using other telephone companies by dialing a 1010XXX access code. To learn more about these different types of calls, go to www.fcc.gov/cgb/consumerfacts/local_long.html. Subscribers can change their preferred telephone company or companies at any time, but may be charged for doing so.

Wireless telephone companies are not required to provide equal access, and generally choose a preferred telephone company for their subscribers. If wireless companies allow use of "dial-around" 1010XXX access codes, they can choose to charge their customers a fee for doing so.

The FCC has adopted detailed "slamming" rules to prevent telephone companies from switching subscribers from one preferred telephone company to another without authorization. These rules provide a remedy if you've been slammed.

Your Rights If You Have Been Slammed

If you have been slammed and **HAVE NOT** paid the bill of the company that slammed you:

You **DO NOT** have to pay anyone for service for up to 30 days after being slammed. Therefore, you do not have to pay either your authorized telephone company (the company you actually chose to provide service) or the slamming company. You must pay any charges for service beyond 30 days to your authorized company, but at that company's rates, not the slammer's rates.

If you **HAVE** paid your telephone bill and then discover that you have been slammed:

The slamming (unauthorized) company must pay your authorized company 150% of the charges you paid. Out of this amount, your authorized company will then reimburse you 50% of the charges you paid to the slammer.

Your Rights If You Have Been Slammed (cont'd.)

For example, if you were charged \$100 by the slamming company, that company will have to give your authorized company \$150, and you will receive \$50 as a reimbursement.

With these rules, the FCC has taken the profit out of slamming and protected consumers from illegal changes.

Authorized Switching Methods

Your telephone service cannot **legally** be switched from your existing preferred telephone company to a new company unless the new company verifies the switch using one of the following methods:

- Uses an independent third party to verify your oral authorization to switch.

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Authorized Switching Methods (cont'd.)

- Provides and obtains your signature on a **letter** that indicates, in writing, that you want to switch preferred telephone companies.
- Provides a toll-free number that you can call to confirm the order to switch preferred telephone companies.

NOTE: The Communications Act makes telephone companies responsible for the acts of their agents, including their telemarketers.

New Guidelines for Telemarketing Switches

Before a telephone company can place an order to switch a subscriber who agreed to sign up for service during a telemarketing call, the company must verify the subscriber's decision to switch by: (1) connecting the customer to a third party verifier; (2) sending the subscriber a letter of agency (LOA) to sign and return; or (3) providing a toll-free number to the subscriber to confirm the decision electronically. The requirements for each method are:

Third Party Verification: All third party verifications must elicit from the subscriber: (1) the date of the verification; (2) the identity of the subscriber; (3) confirmation that the person on the call is authorized to make the change; (4) confirmation that the person on the call wants to make the change; (5) confirmation that the person on the call understands that a carrier change, not an upgrade to existing service, bill consolidation, or any other misleading description of the transaction, is being authorized; (6) the names of the telephone companies affected by the change (not including the name of the displaced company); (7) the telephone numbers to be switched; (8) the types of service involved; and (9) appropriate verification data (such as, the subscriber's date of birth or social security number).

Letter of Agency: Any written or electronic LOA used to confirm a telemarketing order must include: (1) the subscriber's billing name and address; (2) each telephone number to be

New Guidelines for Telemarketing Switches (cont'd.)

covered by the order to change the subscriber's preferred telephone company; (3) a statement that the subscriber intends to change from his or her current preferred telephone company to the new company; (4) a statement that the subscriber designates the new company to act as the agent for this change; and (5) a statement that the subscriber understands that there may be a charge for this change. The LOA also must be separate from any promotional material – such as prizes or contest entry forms. To the extent that a jurisdiction allows the selection of additional preferred carriers (e.g., local exchange, intraLATA toll, interLATA toll, or international interexchange), the letter of agency must contain separate statements regarding those choices, although a separate letter of agency for each choice is not necessary.

NOTE: Advertising promotions that send a check for payment to encourage you to switch preferred telephone companies can incorporate an LOA, but must meet specific guidelines. The check must contain the necessary information to make it payable, and can't contain any other promotional language or material.

The telephone company must place the required LOA language near the signature line on the back of the check. In addition, the company must print on the front of the check, in easily readable, bold-faced type, a notice that your signature will authorize a change in your preferred telephone company.

Toll-Free Number for Electronic Confirmation: Telephone companies electing to confirm sales electronically must establish one or more toll-free telephone numbers exclusively for that purpose. Calls to the number(s) will connect a subscriber to a voice response unit, or similar mechanism, that records the required information regarding the preferred telephone company change, including automatically recording the originating telephone number. Such authorization must be placed from the telephone number(s) for which the preferred telephone company is to be changed.

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How to Protect Yourself Against Slamming

Be a careful consumer.

Always examine your telephone bill immediately and thoroughly. If you see a new preferred telephone company name on your bill, call the number that's shown on that portion of the bill and ask for an explanation.

Be aware of the methods telephone companies can use to change your preferred telephone company legally. The FCC's rules require telephone companies to obtain your clear permission to make such a change. For example, if a new telephone company sends you an LOA to verify that you want to switch your preferred telephone company service to that company, the LOA is only valid if you sign and date it. Only sign, date, and return it if you are sure you want to change to the new company.

Be sure you understand that switching long distance service also means switching international service. If you are considering switching preferred long distance telephone companies, be sure to ask whether any international calling plans you have with your current preferred long distance company will be offered by the new company.

Be firm with telemarketers.

If you receive a call from a telemarketer about switching your preferred telephone company and you're not interested in changing, tell that to the caller. You can also ask the caller to remove your telephone number from its solicitation lists, and place your residential phone number on the national Do-Not-Call list. For more information about the national Do-Not-Call list, visit www.fcc.gov/cgb/consumerfacts/tcpa.html.

Thoroughly read all materials you receive in the mail.

If you receive a letter in the mail asking you to "verify" that you switched your preferred telephone company, and neither you nor anyone in your household authorized the

How to Protect Yourself Against Slamming (cont'd.)

change, *immediately* notify the sender that you did not authorize a switch. Then, immediately call your local telephone company to confirm that you want to remain with your existing preferred telephone company or companies.

Read the fine print in any sweepstakes or drawing entry form before filling it out.

The form may indicate that by signing it, you've given authorization to switch preferred telephone companies. In some states, such forms are illegal and should be reported to the state Attorney General's office.

Be careful when answering telephone surveys.

Be careful in responding to telephone surveys. If the person answering the telephone says "yes" to any of the surveyor's questions, the answers may be taped and used later as verification of authorization to switch preferred telephone companies.

"Freeze" your existing preferred telephone company.

A freeze lets your local telephone company know that you do not want it to switch your preferred telephone company unless it receives **written** or **verbal** authorization from you.

What to Do if You've Been Slammed

Call the slamming company and tell it that you want the problem fixed. If you have not paid, tell the slamming company that you will not pay for the first 30 days of service. Call your preferred telephone company to inform it of the slam, and tell it that you want to be reinstated to the same calling plan you had before the slam. Also tell your preferred telephone company that you want all "change of carrier charges" (charges for switching companies) removed from your bill.

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What to Do if You've Been Slammed (cont'd.)

You can call the following **toll-free** numbers to verify your preferred telephone company or companies:

- **1-700-555-4141** for long distance and international services and
- **1+your area code+700-4141** for local toll services.

You can also file a complaint. There is no charge for filing a complaint. If you live in a state that accepts slamming complaints, you can file your complaint with your state public service commission. You can find a list of states that accept slamming complaints at www.fcc.gov/slamming. You can find contact information for your state public service commission at www.naruc.org or in the blue pages or government section of your local telephone directory. Contact your state public service commission to determine the precise filing procedures.

If you don't live in a state that accepts slamming complaints, file your complaint with the FCC. The easiest way to file your complaint is to go to the FCC's on-line complaint forms found on the FCC Web site at esupport.fcc.gov/complaints.htm. You will be asked a series of questions that will take you to the correct form, Form 501. You can also file your complaint by e-mailing slamming@fcc.gov; faxing 202-418-0035; or writing to:

Federal Communications Commission
Consumer & Governmental Affairs Bureau
ATTN: SLAM TEAM, Room CY-A257
445 12th Street, SW
Washington, DC 20554.

What to Include in Your Complaint

The best way to provide all the information needed for the FCC to process your slamming complaint is to complete fully the on-line complaint form. If you file your complaint on-line or by e-mail, you must attach an electronic copy of any bill you are complaining about to the Form 501 or the e-mail.

What to Include in Your Complaint (cont'd.)

If you do not use the on-line complaint Form 501, your complaint, at a minimum, should indicate:

- your name, address, and daytime phone number;
- the phone number that was allegedly slammed;
- the name of the phone company that you are complaining about;
- the name of your preferred or authorized **local** phone company;
- the name of your preferred or authorized **long distance** (including international) phone company;
- the amount of the charges you dispute and whether you paid them; and
- a brief statement of facts.

REMEMBER: You **MUST** include a copy of any bill you are complaining about. Please indicate on the copy of the bill the name of the unauthorized phone company and the disputed charges.

For More Information

For more information about slamming, visit the FCC's slamming Web site at www.fcc.gov/slamming. For information about other telecommunications-related issues, visit the FCC's Web site at www.fcc.gov/cgb.

In addition, you can contact the FCC's Consumer Center by e-mailing fccinfo@fcc.gov; calling 1-888-CALL-FCC (1-888-225-5322) voice or 1-888-TELL-FCC (1-888-835-5322) TTY; faxing 1-866-418-0232; or writing to:

Federal Communications Commission
Consumer & Governmental Affairs Bureau
Consumer Inquiries and Complaints Division
445 12th Street, SW
Washington, DC 20554.



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To receive information on this and other FCC consumer topics through the Commission's electronic subscriber service, visit www.fcc.gov/cgb/contacts/.

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