

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *Protecting Consumers from Unauthorized Carrier Changes and Related Unauthorized Charges*,
CG Docket. No. 17-169.

In a classic aside during an episode of *Seinfeld*, Jerry receives a phone call asking if he is interested in switching his long-distance carrier. Upset about being interrupted at home, he responds by asking for the telemarketer's own home number so that they can discuss the switch later.¹

We laughed then, and even now, because we can all relate to Jerry's frustration. But what that scene doesn't capture is the very real possibility that the telemarketer switched Jerry's long-distance carrier anyway, without his consent. Or that his next bill contained unexplained and unauthorized charges. The switch is known as "slamming," and the imposition of unauthorized charges is known as "cramming."

When they call consumers, unscrupulous carriers often lie about their identity or misrepresent their relationship to consumers' existing carriers to perpetrate these schemes. And to make matters worse, these carriers often target the most vulnerable Americans: the elderly, new immigrants, and non-English speakers.

Today, the FCC tackles this problem head-on. We make it clear to perpetrators and consumers alike that the law is the law by proposing to codify our ban on misrepresentation and cramming. And we set a firmer legal foundation that will aid us in going after anyone who pursues these unlawful practices. We put bad actors on notice and empower consumers to choose their carrier, the services they want, and what ultimately shows up on their bill. In addition, we seek comment on changes to our rules, like a default freeze of a consumer's preferred carrier and a default ban on certain third-party billing—measures that will make it more difficult for carriers to slam or cram their customers. No more unfair and illegal surprises.

Along with our recent actions on illegal robocalling and today's Notices of Inquiry on telephone call authentication and reassigned numbers, we are taking major, concrete steps to protect American consumers. That's gold, Jerry—gold!²

As with many of our consumer protection initiatives, this was an interdisciplinary effort. Thank you to Kurt Schroeder, Nancy Stevenson, Mark Stone, Patrick Webre, and Kimberly Wild in the Consumer and Governmental Affairs Bureau; Deborah Broderson, Doug Klein, Rick Mallen, and Linda Oliver in the Office of General Counsel; Jennifer Epperson, Richard Hindman, Erica McMahon, Phil Rosario, and Mika Savir in the Enforcement Bureau; Belford Lawson in the Office of Communications Business Opportunities; Daniel Kahn, Melissa Droller Kinkel, and Roger Woock in the Wireline Competition Bureau; and, last but not least, Michael Janson, Sue McNeil, and Mary Claire York in the Wireless Telecommunications Bureau.

¹ The Pitch from *Seinfeld*, <https://www.youtube.com/watch?v=QRh1CMC3OVw>.

² The Fatigues from *Seinfeld*, <https://www.youtube.com/watch?v=j0qm0KUPeD8>.