

106TH CONGRESS  
1ST SESSION

# S. 1084

To amend the Communications Act of 1934 to protect consumers from the unauthorized switching of their long-distance service.

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IN THE SENATE OF THE UNITED STATES

MAY 19, 1999

Mr. MCCAIN (for himself, Mr. BRYAN, and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To amend the Communications Act of 1934 to protect consumers from the unauthorized switching of their long-distance service.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Telecommunications  
5 Competition and Consumer Protection Act of 1999”.

# TITLE I—SLAMMING

## SEC. 101. IMPROVED PROTECTION FOR CONSUMERS.

(a) CONSUMER PROTECTION PRACTICES.—Section 258 of the Communications Act of 1934 (47 U.S.C. 258) is amended to read as follows:

### “SEC. 258. ILLEGAL CHANGES IN SUBSCRIBER SELECTIONS OF CARRIERS.

“(a) ALTERNATIVE MODES OF REGULATION.—

“(1) INDUSTRY/COMMISSION CODE.—Within 180 days after the date of enactment of the Telecommunications Competition and Consumer Protection Act of 1999, the Commission, after consulting with the Federal Trade Commission and representatives of telecommunications carriers providing telephone toll service and telephone exchange service, State commissions, and consumers, and considering any proposals developed by such representatives, shall prescribe, after notice and public comment and in accordance with subsection (b), a Code of Subscriber Protection Practices (hereinafter in this section referred as the ‘Code’) governing changes in a subscriber’s selection of a provider of telephone exchange service or telephone toll service.

“(2) OBLIGATION TO COMPLY.—No telecommunications carrier (including a reseller of tele-

1 communications services) shall submit or execute a  
 2 change in a subscriber's selection of a provider of  
 3 telephone exchange service or telephone toll service  
 4 except in accordance with—

5 “(A) the Code, if such carrier elects to  
 6 comply with the Code in accordance with sub-  
 7 section (b)(2); or

8 “(B) the requirements of subsection (c),  
 9 if—

10 “(i) the carrier does not elect to com-  
 11 ply with the Code under subsection (b)(2);

12 or

13 “(ii) such election is revoked or with-  
 14 drawn.

15 “(b) MINIMUM PROVISIONS OF THE CODE.—

16 “(1) SUBSCRIBER PROTECTION PRACTICES.—

17 The Code required by subsection (a)(1) shall include  
 18 guidelines addressing the following:

19 “(A) IN GENERAL.—A telecommunications  
 20 carrier (including a reseller of telecommuni-  
 21 cations services) electing to comply with the  
 22 Code shall submit a change in a subscriber's se-  
 23 lection of a provider of telephone exchange serv-  
 24 ice or telephone toll service only in accordance  
 25 with the provisions of the Code.

1           “(B) NEGATIVE OPTION.—A telecommuni-  
2 cations carrier shall not use negative option  
3 marketing.

4           “(C) VERIFICATION.—A submitting carrier  
5 shall verify the subscriber’s selection of the car-  
6 rier in accordance with procedures specified in  
7 the Code. The executing carrier may rely on the  
8 submitting carrier’s verification in executing the  
9 change or may, at its discretion, confirm the  
10 verification of a change in the subscriber’s se-  
11 lection with the customer.

12           “(D) UNFAIR AND DECEPTIVE ACTS AND  
13 PRACTICES.—No telecommunications carrier,  
14 nor any person acting on behalf of any such  
15 carrier, shall engage in any unfair or deceptive  
16 acts or practices in connection with the solicita-  
17 tion of a change in a subscriber’s selection of  
18 a telecommunications carrier.

19           “(E) NOTIFICATION AND RIGHTS.—A tele-  
20 communications carrier shall provide timely and  
21 accurate notification to the subscriber in ac-  
22 cordance with procedures specified in the Code.

23           “(F) SLAMMING LIABILITY AND REM-  
24 EDIES.—

1           “(i) REQUIRED REIMBURSEMENT AND  
2 CREDIT.—A telecommunications carrier  
3 that has improperly changed the sub-  
4 scriber’s selection of a telecommunications  
5 carrier without authorization, shall at a  
6 minimum—

7           “(I) reimburse the subscriber for  
8 the fees associated with switching the  
9 subscriber back to their original car-  
10 rier; and

11           “(II) provide a credit for any  
12 telecommunications charges incurred  
13 by the subscriber during the period,  
14 not to exceed 30 days, while that sub-  
15 scriber was improperly presubscribed.

16           “(ii) PROCEDURES.—The Code shall  
17 prescribe procedures by which—

18           “(I) a subscriber may make an  
19 allegation of a violation under clause  
20 (i);

21           “(II) the telecommunications car-  
22 rier may rebut such allegation;

23           “(III) the subscriber may, with-  
24 out undue delay, burden, or expense,  
25 challenge the rebuttal; and

1                   “(IV) resolve any administrative  
2                   review of such an allegation within 75  
3                   days after receipt of an appeal.

4                   “(G) RECORDKEEPING.—A telecommuni-  
5                   cations carrier shall make and maintain a  
6                   record of the verification process and shall pro-  
7                   vide a copy to the subscriber immediately upon  
8                   request.

9                   “(H) QUALITY CONTROL.—A telecommuni-  
10                  cations carrier shall institute a quality control  
11                  program to prevent inadvertent changes in a  
12                  subscriber’s selection of a carrier.

13                  “(I) INDEPENDENT AUDITS.—A tele-  
14                  communications carrier shall provide the Com-  
15                  mission with an independent audit regarding its  
16                  compliance with the Code at intervals pre-  
17                  scribed by the Code. The Commission may re-  
18                  quire a telecommunications carrier to provide  
19                  an independent audit on a more frequent basis  
20                  if there is evidence that such telecommuni-  
21                  cations carrier is violating the Code.

22                  “(2) ELECTION BY CARRIERS.—Each tele-  
23                  communications carrier electing to comply with the  
24                  Code shall file with the Commission within 20 days  
25                  after the adoption of the Code, or within 20 days

1 after commencing operations as a telecommuni-  
2 cations carrier, a statement electing the Code to gov-  
3 ern such carrier's submission or execution of a  
4 change in a customer's selection of a provider of  
5 telephone exchange service or telephone toll service.  
6 Such election by a carrier may not be revoked or  
7 withdrawn unless the Commission finds that there is  
8 good cause therefor, including a determination that  
9 the carrier has failed to adhere in good faith to the  
10 applicable provisions of the Code, and that the rev-  
11 ocation or withdrawal is in the public interest. Any  
12 telecommunications carrier that fails to elect to com-  
13 ply with the Code shall be deemed to have elected  
14 to be governed by the subsection (c) and the Com-  
15 mission's regulations thereunder.

16 “(3) PENALTIES AVAILABLE.—Nothing in this  
17 subsection or in any regulations thereunder shall be  
18 construed as limiting the application of section 503  
19 to violations of the Code.

20 “(c) REGULATIONS OF CARRIERS NOT ELECTING TO  
21 COMPLY WITH CODE.—

22 “(1) IN GENERAL.—A telecommunications car-  
23 rier (including a reseller of telecommunications serv-  
24 ices) that has not elected to comply with the Code  
25 under subsection (b), or as to which the election has

1       been withdrawn or revoked, shall not submit or exe-  
2       cute a change in a subscriber's selection of a pro-  
3       vider of telephone exchange service or telephone toll  
4       service except in accordance with this subsection and  
5       such verification procedures as the Commission shall  
6       prescribe.

7               “(2) VERIFICATION.—

8                       “(A) IN GENERAL.—In order to verify a  
9                       subscriber's selection of a telephone exchange  
10                      service or telephone toll service provider under  
11                      this subsection, the telecommunications carrier  
12                      submitting the change to an executing carrier  
13                      shall, at a minimum, require the subscriber—

14                               “(i) to affirm that the subscriber is  
15                               authorized to select the provider of that  
16                               service for the telephone number in ques-  
17                               tion;

18                               “(ii) to acknowledge the type of serv-  
19                               ice to be changed as a result of the selec-  
20                               tion;

21                               “(iii) to affirm the subscriber's intent  
22                               to select the provider as the provider of  
23                               that service;

1           “(iv) to acknowledge that the selection  
2           of the provider will result in a change in  
3           providers of that service; and

4           “(v) to provide such other information  
5           as the Commission considers appropriate  
6           for the protection of the subscriber.

7           “(B) ADDITIONAL REQUIREMENTS.—The  
8           procedures prescribed by the Commission to  
9           verify a subscriber’s selection of a provider  
10          shall—

11           “(i) preclude the use of negative op-  
12          tion marketing;

13           “(ii) provide for a complete copy of  
14          verification of a change in telephone ex-  
15          change service or telephone toll service pro-  
16          vider in oral, written, or electronic form;

17           “(iii) require the retention of such  
18          verification in such manner and form and  
19          for such time as the Commission considers  
20          appropriate;

21           “(iv) mandate that verification occur  
22          in the same language as that in which the  
23          change was solicited; and

24           “(v) provide for verification to be  
25          made available to a subscriber on request.

1           “(C) NOTICE TO SUBSCRIBER.—Whenever  
2 a telecommunication carrier submits a change  
3 in a subscriber’s selection of a provider of tele-  
4 phone exchange service or telephone toll service,  
5 such telecommunications carrier shall clearly  
6 notify the subscriber in writing, not more than  
7 15 days after the change is submitted to the  
8 executing carrier—

9           “(i) of the subscriber’s new carrier;  
10           and

11           “(ii) that the subscriber may request  
12 information regarding the date on which  
13 the change was agreed to and the name of  
14 the individual who authorized the change.

15           “(3) LIABILITY FOR VIOLATIONS.—

16           “(A) NOTIFICATION OF CHANGE.—The  
17 first bill issued after the effective date of a  
18 change in a subscriber’s provider of telephone  
19 exchange service or telephone toll service by the  
20 executing carrier for such change shall—

21           “(i) prominently disclose the change  
22 in provider and the effective date of such  
23 change;

1           “(ii) contain the name and toll-free  
2           number of any telecommunications carrier  
3           for such new service; and

4           “(iii) direct the subscriber to contact  
5           the executing carrier if the subscriber be-  
6           lieves that such change was not authorized  
7           and that the change was made in violation  
8           of this subsection, and contain the toll-free  
9           number by which to make such contact.

10           “(B) AUTOMATIC SWITCH-BACK OF SERV-  
11           ICE AND CREDIT TO CONSUMER OF CHARGES.—

12           “(i) OBLIGATIONS OF EXECUTING  
13           CARRIER.—If a subscriber of telephone ex-  
14           change service or telephone toll service  
15           makes an allegation, orally or in writing, to  
16           the executing carrier that a violation of  
17           this subsection has occurred with respect  
18           to such subscriber—

19           “(I) the executing carrier shall,  
20           without charge to the subscriber, exe-  
21           cute an immediate change in the pro-  
22           vider of the telephone service that is  
23           the subject of the allegation to restore  
24           the previous provider of such service

1 for the subscriber, as reflected in the  
2 records of the executing carrier;

3 “(II) the executing carrier shall  
4 provide an immediate credit to the  
5 subscriber’s account for any charges  
6 for executing the original change of  
7 service provider;

8 “(III) if the executing carrier  
9 conducts billing for the carrier that is  
10 the subject of the allegation, the exe-  
11 cuting carrier shall provide an imme-  
12 diate credit to the subscriber’s ac-  
13 count for such service, in an amount  
14 equal to any charges for the telephone  
15 service that is the subject of the alle-  
16 gation incurred during the period—

17 “(aa) beginning upon the  
18 date of the change of service that  
19 is the subject of the allegation;  
20 and

21 “(bb) ending on the earlier  
22 of the date that the subscriber is  
23 restored to the previous provider,  
24 or 30 days after the date the bill

1 described in subparagraph (A) is  
2 issued; and

3 “(IV) the executing carrier shall  
4 recover the costs of executing the  
5 change in provider to restore the pre-  
6 vious provider, and any credits pro-  
7 vided under subclauses (II) and (III),  
8 by recourse to the provider that is the  
9 subject of the allegation.

10 “(ii) OBLIGATIONS OF CARRIERS NOT  
11 BILLING THROUGH EXECUTING CAR-  
12 RIERS.—If a subscriber of telephone ex-  
13 change service or telephone toll service  
14 transmits, orally or in writing, to any car-  
15 rier that does not use an executing carrier  
16 to conduct billing an allegation that a vio-  
17 lation of this subsection has occurred with  
18 respect to such subscriber, the carrier shall  
19 provide an immediate credit to the sub-  
20 scriber’s account for such service, and the  
21 subscriber shall, except as provided in sub-  
22 paragraph (C)(iii), be discharged from li-  
23 ability, for an amount equal to any charges  
24 for the telephone service that is the subject

1 of the allegation incurred during the  
2 period—

3 “(I) beginning upon the date of  
4 the change of service that is the sub-  
5 ject of the allegation; and

6 “(II) ending on the earlier of the  
7 date that the subscriber is restored to  
8 the previous provider, or 30 days after  
9 the date the bill described in subpara-  
10 graph (A) is issued.

11 “(iii) TIME LIMITATION.—This sub-  
12 paragraph shall apply only to allegations  
13 made by subscribers before the expiration  
14 of the 1-year period that begins on the  
15 issuance of the bill described in subpara-  
16 graph (A).

17 “(C) PROCEDURE FOR CARRIER REM-  
18 EDY.—

19 “(i) IN GENERAL.—The Commission  
20 shall, by rule, establish a procedure for  
21 rendering determinations with respect to  
22 violations of this subsection. Such proce-  
23 dure shall permit such determinations to  
24 be made upon the filing of (I) a complaint  
25 by a telecommunications carrier that was

1 providing telephone exchange service or  
2 telephone toll service to a subscriber before  
3 the occurrence of an alleged violation, and  
4 seeking damages under clause (ii), or (II)  
5 a complaint by a telecommunications car-  
6 rier that was providing services after the  
7 alleged violation, and seeking a reinstatement  
8 of charges under clause (iii). Either  
9 such complaint shall be filed not later than  
10 6 months after the date on which any sub-  
11 scriber whose allegation is included in the  
12 complaint submitted an allegation of the  
13 violation to the executing carrier under  
14 subparagraph (B)(i). Either such com-  
15 plaint may seek determinations under this  
16 paragraph with respect to multiple alleged  
17 violations in accordance with such proce-  
18 dures as the Commission shall establish in  
19 the rules prescribed under this subpara-  
20 graph.

21 “(ii) DETERMINATION OF VIOLATION  
22 AND REMEDIES.—In a proceeding under  
23 this subparagraph, if the Commission de-  
24 termines that a violation of this subsection  
25 has occurred, other than an inadvertent or

1           unintentional violation, the Commission  
2 shall award damages—

3                   “(I) to the telecommunications  
4 carrier filing the complaint, in an  
5 amount equal to the sum of (aa) the  
6 gross amount of charges that the car-  
7 rier would have received from the sub-  
8 scriber during the violation, and (bb)  
9 \$500 per violation; and

10                   “(II) to the subscriber that was  
11 subjected to the violation, in the  
12 amount of \$500.

13                   “(iii) DETERMINATION OF NO VIOLA-  
14 TION.—If the Commission determines that  
15 a violation of this subsection has not oc-  
16 curred, the Commission shall order that  
17 any credit provided to the subscriber under  
18 subparagraph (B)(ii) be reversed, or that  
19 the carrier may resubmit a bill for the  
20 amount of the credit to the subscriber not-  
21 withstanding any discharge under subpara-  
22 graph (B)(ii).

23                   “(iv) SPEEDY RESOLUTION OF COM-  
24 PLAINTS.—The procedure established  
25 under this subparagraph shall provide for

1 a determination of each complaint filed  
2 under the procedure not later than 6  
3 months after filing.

4 “(D) MAINTENANCE OF INFORMATION.—

5 “(i) IN GENERAL.—The Commission  
6 shall, by rule, require each executing car-  
7 rier to maintain information regarding  
8 each alleged violation of this subsection of  
9 which the carrier has been notified.

10 “(ii) CONTENTS.—The information  
11 required to be maintained pursuant to this  
12 paragraph shall include, for each alleged  
13 violation of this subsection, the effective  
14 date of the change of service involved in  
15 the alleged violation, the name of the pro-  
16 vider of the service to which the change  
17 was made, the name, address, and tele-  
18 phone number of the subscriber who was  
19 subject to the alleged violation, and the  
20 amount of any credit provided under sub-  
21 paragraph (B)(ii).

22 “(iii) FORM.—The Commission shall  
23 prescribe one or more computer data for-  
24 mats for the maintenance of information  
25 under this paragraph, which shall be de-

1 signed to facilitate submission and com-  
2 pilation pursuant to this subparagraph.

3 “(iv) MONTHLY REPORTS.—Each exe-  
4 cuting carrier shall, on not less than a  
5 monthly basis, submit the information  
6 maintained pursuant to this subparagraph  
7 to the Commission.

8 “(v) ACCESS TO INFORMATION.—The  
9 Commission shall make the information  
10 submitted pursuant to clause (iv) available  
11 upon request to any telecommunications  
12 carrier. Any telecommunications carrier ob-  
13 taining access to such information shall  
14 use such information exclusively for the  
15 purposes of investigating, filing, or resolv-  
16 ing complaints under this section.

17 “(4) CIVIL PENALTIES.—Unless the Commis-  
18 sion determines that there are mitigating cir-  
19 cumstances, violation of this subsection is punishable  
20 by a forfeiture penalty under section 503 of not less  
21 than \$40,000 for the first offense, and not less than  
22 \$150,000 for each subsequent offense.

23 “(5) RECOVERY OF FORFEITURES.—The Com-  
24 mission may take such action as may be necessary—

1           “(A) to collect any forfeitures it imposes  
2           under this subsection; and

3           “(B) on behalf of any subscriber, to collect  
4           any damages awarded the subscriber under this  
5           subsection.

6           “(d) APPLICATION TO WIRELESS.—This section does  
7 not apply to a provider of commercial mobile service.

8           “(e) COMMISSION REQUIREMENTS.—

9           “(1) SEMIANNUAL REPORTS.—Every 6 months,  
10          the Commission shall compile and publish a report  
11          ranking telecommunications carriers by the percent-  
12          age of verified complaints, excluding those generated  
13          by the carrier’s unaffiliated resellers, compared to  
14          the number of the carrier’s changes in a subscriber’s  
15          selection of a provider of telephone exchange service  
16          and telephone toll service.

17          “(2) INVESTIGATION.—If a telecommunications  
18          carrier is listed among the 5 worst performers based  
19          upon the percentage of verified complaints, excluding  
20          those generated by the carrier’s unaffiliated re-  
21          sellers, compared to its number of carrier selection  
22          changes in the semiannual reports 3 times in succes-  
23          sion, the Commission shall investigate the carrier’s  
24          practices regarding subscribers’ selections of pro-  
25          viders of telephone exchange service and telephone

1 toll service. If the Commission finds that the carrier  
2 is misrepresenting adherence to the Code or is will-  
3 fully and repeatedly changing subscribers' selections  
4 of providers, the Commission shall find such carrier  
5 to be in violation of this section and shall impose a  
6 civil penalty on the carrier under section 503 of up  
7 to \$1,000,000.

8 “(3) CODE REVIEW.—Every 2 years, the Com-  
9 mission shall review the Code to ensure its require-  
10 ments adequately protect subscribers from improper  
11 changes in a subscriber's selection of a provider of  
12 telephone exchange service and telephone toll service.

13 “(f) ACTIONS BY STATES.—

14 “(1) IN GENERAL.—Whenever an attorney gen-  
15 eral of any State has reason to believe that the in-  
16 terests of the residents of that State have been or  
17 are being threatened or adversely affected because  
18 any person has violated the Code or subsection (c),  
19 or any rule or regulation prescribed by the Commis-  
20 sion under subsection (c), the State may bring a  
21 civil action on behalf of its residents in an appro-  
22 priate district court of the United States to enjoin  
23 such violation, to enforce compliance with such  
24 Code, subsection, rule, or regulation, to obtain dam-  
25 ages on behalf of their residents, or to obtain such

1 further and other relief as the court may deem ap-  
2 propriate.

3 “(2) NOTICE.—The State shall serve prior writ-  
4 ten notice of any civil action under paragraph (1)  
5 upon the Commission and provide the Commission  
6 with a copy of its complaint, except that if it is not  
7 feasible for the State to provide such prior notice,  
8 the State shall serve such notice immediately upon  
9 instituting such action. Upon receiving a notice re-  
10 specting a civil action, the Commission shall have  
11 the right (A) to intervene in such action, (B) upon  
12 so intervening, to be heard on all matters arising  
13 therein, and (C) to file petitions for appeal.

14 “(3) VENUE.—Any civil action brought under  
15 this section in a district court of the United States  
16 may be brought in the district wherein the defendant  
17 is found or is an inhabitant or transacts business or  
18 wherein the violation occurred or is occurring, and  
19 process in such cases may be served in any district  
20 in which the defendant is an inhabitant or wherever  
21 the defendant may be found.

22 “(4) INVESTIGATORY POWERS.—For purposes  
23 of bringing any civil action under paragraph (1),  
24 nothing in this Act shall prevent the attorney gen-  
25 eral from exercising the powers conferred on the at-

1       torney general by the laws of such State to conduct  
2       investigations or to administer oaths or affirmations  
3       or to compel the attendance of witnesses or the pro-  
4       duction of documentary and other evidence.

5           “(5) EFFECT ON STATE COURT PRO-  
6       CEEDINGS.—Nothing contained in this subsection  
7       shall prohibit an authorized State official from pro-  
8       ceeding in State court on the basis of an alleged vio-  
9       lation of any general civil or criminal statute of such  
10      State.

11          “(6) LIMITATION.—Whenever the Commission  
12      has instituted a civil action for violation of this sec-  
13      tion or any rule or regulation thereunder, no State  
14      may, during the pendency of such action instituted  
15      by the Commission, institute a civil action against  
16      any defendant named in the Commission’s complaint  
17      for violation of any rule as alleged in the Commis-  
18      sion’s complaint.

19          “(7) ACTIONS BY OTHER STATE OFFICIALS.—In  
20      addition to actions brought by an attorney general  
21      of a State under paragraph (1), such an action may  
22      be brought by officers of such State who are author-  
23      ized by the State to bring actions in such State for  
24      protection of consumers.

25          “(g) STATE LAW NOT PREEMPTED.—

1           “(1) IN GENERAL.—Nothing in this section or  
2           in the regulations prescribed under this section shall  
3           preempt any State law that imposes more restrictive  
4           requirements, regulations (including an option pro-  
5           tecting a subscriber’s choice of a provider of tele-  
6           phone exchange service or telephone toll service from  
7           being switched without the subscriber’s express con-  
8           sent), damages, costs, or penalties on changes in a  
9           subscriber’s service or selection of a provider of tele-  
10          phone exchange service or telephone toll services  
11          than are imposed under this section.

12           “(2) PRESERVATION OF COMMISSION AUTHOR-  
13          ITY WITH RESPECT TO UNFAIR MARKETING OF SUB-  
14          SCRIBER SELECTION FREEZES.—Notwithstanding  
15          paragraph (1), the Commission shall prescribe rules  
16          to prevent the marketing or provision in an unfair  
17          or deceptive manner of an option protecting a sub-  
18          scriber’s choice of a provider of telephone exchange  
19          service or telephone toll service from being switched  
20          without the subscriber’s express consent.

21          “(h) RULES OF CONSTRUCTION.—

22           “(1) CHANGE INCLUDES INITIAL SELECTION.—  
23          For purposes of this section, the initiation of tele-  
24          phone toll service to a subscriber by a telecommuni-

1 cations carrier shall be treated as a change in selec-  
2 tion of a provider of telephone toll service.

3 “(2) ACTION BY UNAFFILIATED RESELLER NOT  
4 IMPUTED TO CARRIER.—No telecommunications car-  
5 rier may be found in violation of this section solely  
6 on the basis of a violation of this section by an unaf-  
7 filiated reseller of that carrier’s services or facilities.

8 “(i) DEFINITIONS.—For purposes of this section:

9 “(1) SUBSCRIBER.—The term ‘subscriber’  
10 means the person named on the billing statement or  
11 account, or any other person authorized to make  
12 changes in the providers of telephone exchange serv-  
13 ice or telephone toll service.

14 “(2) EXECUTING CARRIER.—The term ‘exe-  
15 cuting carrier’ means, with respect to any change in  
16 the provider of local exchange service or telephone  
17 toll service, the local exchange carrier that executed  
18 such change.

19 “(3) ATTORNEY GENERAL.—The term ‘attorney  
20 general’ means the chief legal officer of a State.”.

21 (b) NTIA STUDY OF THIRD-PARTY ADMINISTRA-  
22 TION.—Within 180 days of enactment of this Act, the Na-  
23 tional Telecommunications and Information Administra-  
24 tion shall report to the Committee on Commerce of the  
25 House of Representatives and the Committee on Com-

1 merce, Science, and Transportation of the Senate on the  
2 feasibility and desirability of establishing a neutral third-  
3 party administration system to prevent illegal changes in  
4 telephone subscriber carrier selections. The study shall  
5 include—

6           (1) an analysis of the cost of establishing a sin-  
7           gle national or several independent databases or  
8           clearinghouses to verify and submit changes in car-  
9           rier selections;

10           (2) the additional cost to carriers, per change  
11           in carrier selection, to fund the ongoing operation of  
12           any or all such independent databases or clearing-  
13           houses; and

14           (3) the advantages and disadvantages of uti-  
15           lizing independent databases or clearinghouses for  
16           verifying and submitting carrier selection changes.

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