



November 20, 2019

The Honorable Frank Pallone
Chairman, House Energy and Commerce
Committee
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Greg Walden
Ranking Member, House Energy and
Commerce Committee
2185 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Michael Doyle
Chairman, Subcommittee on
Communications and Technology
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Robert Latta
Ranking Member, Subcommittee on
Communications and Technology
House Energy and Commerce Committee
2322 Rayburn House Office Building
Washington, D.C. 20515

Re: November 20, 2019 Markup of H.R. 5035, the Television Viewer Protection Act

Dear Chairman Pallone, Chairman Doyle, Ranking Member Walden, and Ranking Member Latta:

Consumer Reports (CR) thanks the Committee for seeking our input on statutory language that will improve price transparency within the video marketplace included in the manager's amendment to H.R. 5035, the Television Viewer Protection Act.

We understand a bipartisan compromise has been agreed to that requires an MVPD (multichannel video program distributor) to disclose the total price, including all itemized charges, fees, and estimated taxes, before a consumer agrees to sign up for a video package, whether offered individually or as part of a bundled service. CR further understands that a consumer will be afforded a 24-hour period to cancel service without penalty after receiving a formal notice of the disclosure given at the point of sale. Finally, language has been added that will prohibit a company from charging consumers for equipment they do not use.

Consensus is difficult to achieve on many issues before Congress, and injecting transparency into the billing practices of telecommunications providers is, unfortunately, no different. Nonetheless, consumers will be better off if the agreed upon legislation is enacted into law as part of H.R. 5035. Therefore, Consumer Reports endorses the compromise that was struck, and we applaud the hard work of the Congressional staff who worked long hours to achieve this win for consumers.

CR's recent work on this subject demonstrated the need for comprehensive reform of the billing practices employed in the video marketplace, as cable companies and others are increasing both the number and cost of company-imposed fees in monthly bills, oftentimes for services that were previously included in the base price.¹ After analyzing close to 800 cable bills submitted to us directly by consumers, CR determined that consumers pay close to \$450 a year in extra charges tacked onto bills. Surprisingly, we also discovered consumers are now being charged equipment fees even if they do not use the equipment (e.g. a modem or router) provided by the cable company, and instead choose to use their own.

To be sure, there is plenty of room to do more to further improve transparency in the telecommunications marketplace, and not just for consumers who receive video service from a pay-TV operator. For example, we hope in the future that requiring a full price breakdown at the point of sale will also be applied to all bundled packages and internet-only consumers, who are increasingly viewing video content via their broadband internet connection. Moreover, CR's recent research found that the problem of company-imposed fees is not limited to video service, as these fees are now being applied to internet access service.²

CR's work to improve price transparency and billing practices will continue, and we look forward to working with you. We believe all consumers of telecommunications services should benefit from a point of sale disclosure that simply tells consumers what they can expect to pay each month for service, which is far too often more than the advertised price.

Thank you again for allowing Consumer Reports to participate in the negotiations that led to this victory for consumers, and we stand ready to help the Committee pass H.R. 5035 into law.

Sincerely,



Jonathan Schwantes
Senior Policy Counsel

cc. Members of the House Energy and Commerce Committee

¹ A full copy of the report can be found at <https://advocacy.consumerreports.org/wpcontent/uploads/2019/10/CR-Cable-Bill-Report-2019.pdf>. (CR Cable Bill Report);

² CR Cable Bill Report. *See* p. 8 for a discussion of new fees being applied to internet access service.