

(B) pay-per-call services provided at nominal charges, as defined by the Commission in such regulations.

**(6) Consideration of other rules required**

In conducting a proceeding under this section, the Commission shall consider requiring, by rule or regulation, that providers of pay-per-call services—

(A) automatically disconnect a call after one full cycle of the program; and

(B) include a beep tone or other appropriate and clear signal during a live interactive group program so that callers will be alerted to the passage of time.

**(7) Special rule for infrequent publications**

The rules prescribed by the Commission under subparagraphs (A) and (G) of paragraph (1) may permit, in the case of publications that are widely distributed, that are printed annually or less frequently, and that have an established policy of not publishing specific prices, advertising that in lieu of the cost disclosures required by such subparagraphs, clearly and conspicuously disclose that use of the telephone number may result in a substantial charge.

**(8) Treatment of rules**

A rule issued under this subsection shall be treated as a rule issued under section 57a(a)(1)(B) of this title.

**(b) Rulemaking**

The Commission shall prescribe the rules under subsection (a) within 270 days after October 28, 1992. Such rules shall be prescribed in accordance with section 553 of title 5.

**(c) Enforcement**

Any violation of any rule prescribed under subsection (a) shall be treated as a violation of a rule respecting unfair or deceptive acts or practices under section 45 of this title. Notwithstanding section 45(a)(2) of this title, communications common carriers shall be subject to the jurisdiction of the Commission for purposes of this subchapter.

(Pub. L. 102-556, title II, §201, Oct. 28, 1992, 106 Stat. 4187.)

**§ 5712. Actions by States**

**(a) In general**

Whenever an attorney general of any State has reason to believe that the interests of the residents of that State have been or are being threatened or adversely affected because any person has engaged or is engaging in a pattern or practice which violates any rule of the Commission under section 5711(a) of this title, the State may bring a civil action on behalf of its residents in an appropriate district court of the United States to enjoin such pattern or practice, to enforce compliance with such rule of the Commission, to obtain damages on behalf of their residents, or to obtain such further and other relief as the court may deem appropriate.

**(b) Notice**

The State shall serve prior written notice of any civil action under subsection (a) upon the

Commission and provide the Commission with a copy of its complaint, except that if it is not feasible for the State to provide such prior notice, the State shall serve such notice immediately upon instituting such action. Upon receiving a notice respecting a civil action, the Commission shall have the right (1) to intervene in such action, (2) upon so intervening, to be heard on all matters arising therein, and (3) to file petitions for appeal.

**(c) Venue**

Any civil action brought under this section in a district court of the United States may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or wherein the violation occurred or is occurring, and process in such cases may be served in any district in which the defendant is an inhabitant or wherever the defendant may be found.

**(d) Investigatory powers**

For purposes of bringing any civil action under this section, nothing in this chapter shall prevent the attorney general from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

**(e) Effect on State court proceedings**

Nothing contained in this section shall prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal antifraud statute of such State.

**(f) Limitation**

Whenever the Commission has instituted a civil action for violation of any rule or regulation under this chapter, no State may, during the pendency of such action instituted by the Commission, subsequently institute a civil action against any defendant named in the Commission's complaint for violation of any rule as alleged in the Commission's complaint.

**(g) Actions by other State officials**

(1) Nothing contained in this section shall prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State.

(2) In addition to actions brought by an attorney general of a State under subsection (a), such an action may be brought by officers of such State who are authorized by the State to bring actions in such State for protection of consumers and who are designated by the Commission to bring an action under subsection (a) against persons that the Commission has determined have or are engaged in a pattern or practice which violates a rule of the Commission under section 5711(a) of this title.

(Pub. L. 102-556, title II, §202, Oct. 28, 1992, 106 Stat. 4190.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (d) and (f), was in the original "this Act", meaning Pub. L. 102-556, Oct. 28, 1992, 106 Stat. 4181, known as the Telephone Disclosure and Dispute Resolution Act. For complete classi-

fication of this Act to the Code, see References in Text note set out under section 5701 of this title and Tables.

### § 5713. Administration and applicability of subchapter

#### (a) In general

Except as otherwise provided in section 5712 of this title, this subchapter shall be enforced by the Commission under the Federal Trade Commission Act (15 U.S.C. 41 et seq.). Consequently, no activity which is outside the jurisdiction of that Act shall be affected by this chapter, except for purposes of this subchapter.

#### (b) Actions by Commission

The Commission shall prevent any person from violating a rule of the Commission under section 5711 of this title in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this subchapter. Any person who violates such rule shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this subchapter.

(Pub. L. 102-556, title II, §203, Oct. 28, 1992, 106 Stat. 4191.)

#### REFERENCES IN TEXT

The Federal Trade Commission Act, referred to in text, is act Sept. 26, 1914, ch. 311, 38 Stat. 717, as amended, which is classified generally to subchapter I (§41 et seq.) of chapter 2 of this title. For complete classification of this Act to the Code, see section 58 of this title and Tables.

### § 5714. Definitions

For purposes of this subchapter:

(1) The term “pay-per-call services” has the meaning provided in section 228(i) of title 47, except that the Commission by rule may, notwithstanding subparagraphs (B) and (C) of section 228(i)(1) of title 47, extend such definition to other similar services providing audio information or audio entertainment if the Commission determines that such services are susceptible to the unfair and deceptive practices that are prohibited by the rules prescribed pursuant to section 5711(a) of this title.

(2) The term “attorney general” means the chief legal officer of a State.

(3) The term “State” means any State of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, and any territory or possession of the United States.

(4) The term “Commission” means the Federal Trade Commission.

(Pub. L. 102-556, title II, §204, Oct. 28, 1992, 106 Stat. 4191; Pub. L. 104-104, title VII, §701(b)(1), Feb. 8, 1996, 110 Stat. 147.)

#### AMENDMENTS

1996—Par. (1). Pub. L. 104-104 amended par. (1) generally. Prior to amendment, par. (1) read as follows: “The

term ‘pay-per-call services’ has the meaning provided in section 228 of title 47.”

### SUBCHAPTER II—BILLING AND COLLECTION

### § 5721. Regulations

#### (a) In general

##### (1) Rules required

The Commission shall, in accordance with the requirements of this section, prescribe rules establishing procedures for the correction of billing errors with respect to telephone-billed purchases. The rules prescribed by the Commission shall also include provisions to prohibit unfair or deceptive acts or practices that evade such rules or undermine the rights provided to customers under this subchapter.

##### (2) Substantial similarity to credit billing

The Commission shall promulgate rules under this section that impose requirements that are substantially similar to the requirements imposed, with respect to the resolution of credit disputes, under the Truth in Lending and Fair Credit Billing Acts [15 U.S.C. 1601 et seq., 1666 et seq.].

##### (3) Treatment of rule

A rule issued under paragraph (1) shall be treated as a rule issued under section 57a(a)(1)(B) of this title.

#### (b) Rulemaking schedule and procedure

The Commission shall prescribe the rules under subsection (a) within 270 days after October 28, 1992. Such rules shall be prescribed in accordance with section 553 of title 5.

#### (c) Enforcement

Any violation of any rule prescribed under subsection (a) shall be treated as a violation of a rule under section 45 of this title regarding unfair or deceptive acts or practices. Notwithstanding section 45(a)(2) of this title, communications common carriers shall be subject to the jurisdiction of the Commission for purposes of this subchapter.

#### (d) Correction of billing errors and correction of credit reports

In prescribing rules under this section, the Commission shall consider, with respect to telephone-billed purchases, the following:

(1) The initiation of a billing review by a customer.

(2) Responses by billing entities and providing carriers to the initiation of a billing review.

(3) Investigations concerning delivery of telephone-billed purchases.

(4) Limitations upon providing carrier responsibilities, including limitations on a carrier’s responsibility to verify delivery of audio information or entertainment.

(5) Requirements on actions by billing entities to set aside charges from a customer’s billing statement.

(6) Limitations on collection actions by billing entities and vendors.

(7) The regulation of credit reports on billing disputes.