

“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.

(8) The prompt notification of credit to an account.

(9) Rights of customers and telephone common carriers regarding claims and defenses.

(10) The extent to which the regulations should diverge from requirements under the Truth in Lending and Fair Credit Billing Acts [15 U.S.C. 1601 et seq., 1666 et seq.] in order to protect customers, and in order to be cost effective to billing entities.

(Pub. L. 102-556, title III, §301, Oct. 28, 1992, 106 Stat. 4191.)

REFERENCES IN TEXT

The Truth in Lending Act, referred to in subsecs. (a)(2) and (d)(10), is title I of Pub. L. 90-321, May 29, 1968, 82 Stat. 146, as amended, which is classified generally to subchapter I (§1601 et seq.) of chapter 41 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of this title and Tables.

The Fair Credit Billing Act, referred to in subsecs. (a)(2) and (d)(10), is title III of Pub. L. 93-495, Oct. 28, 1974, 88 Stat. 1511, which is classified principally to part D (§1666 et seq.) of subchapter I of chapter 41 of this title. For complete classification of this Act to the Code, see Short Title of 1974 Amendment note set out under section 1601 of this title and Tables.

§ 5722. Relation to State laws

(a) State law applicable unless inconsistent

This subchapter does not annul, alter, or affect, or exempt any person subject to the provisions of this subchapter from complying with, the laws of any State with respect to telephone billing practices, except to the extent that those laws are inconsistent with any provision of this subchapter, and then only to the extent of the inconsistency. The Commission is authorized to determine whether such inconsistencies exist. The Commission may not determine that any State law is inconsistent with any provision of this subchapter¹ if the Commission determines that such law gives greater protection to the consumer.

(b) Regulatory exemptions

The Commission shall by regulation exempt from the requirements of this subchapter any class of telephone-billed purchase transactions within any State if it determines that under the law of that State that class of transactions is subject to requirements substantially similar to those imposed under this subchapter¹ or that such law gives greater protection to the consumer, and that there is adequate provision for enforcement.

(Pub. L. 102-556, title III, §302, Oct. 28, 1992, 106 Stat. 4192.)

REFERENCES IN TEXT

This subchapter, referred to the last time in subsecs. (a) and (b), was in the original “this chapter” and was translated as reading “this title” meaning title III of Pub. L. 102-556, to reflect the probable intent of Congress because Pub. L. 102-556 does not contain chapters.

§ 5723. Enforcement

The Commission shall enforce the requirements of this subchapter. For the purpose of the

¹ See References in Text note below.