Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology, Energy & Communications Committee

HJM 4014

Brief Description: Regarding the rates charged for text messaging services.

Sponsors: Representatives Liias, Billig, Roberts and Pollet.

Brief Summary of Bill

• Requests that the Federal Communications Commission (FCC) regulate text messaging services or allow states to do so.

Hearing Date: 1/18/12

Staff: Kara Durbin (786-7133).

Background:

Federal law preempts states from regulating "the entry of or rates charged" by a wireless company. While states may not regulate the rates charged by a wireless company, states may regulate the "other terms and conditions" of wireless service. States may also petition the Federal Communications Commission (FCC) for the authority to regulate the rates charged by wireless companies if the state can demonstrate that market conditions with respect to such services fail to protect subscribers adequately from unjust and unreasonable rates or rates that are unjustly or unreasonably discriminatory.

Wireless companies generally offer at least three main services to their customers: voice, data, and text messaging services. Typically, customers may opt to pay for a certain allotment of text messages per billing cycle as part of their service, or may pay for text messages on a per message basis.

Summary of Bill:

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Legislature requests that the Federal Communications Commission exercise its authority to regulate the rates of text messaging services, or, in the alternative, allow Washington and other states to regulate wireless companies with respect to text messaging services.

Appropriation: None.

Fiscal Note: Not requested.