

## **VPS Consulting Memo**

# FCC Issues Report, Order, and FNPRM on Broadband Consumer Labels

ISPs Required to Display Broadband "Nutrition" Labels

## **Summary**

In the Federal Communications Commission ("FCC") Report and Order dated November 17, 2022, the FCC adopts rules requiring broadband Internet service providers ("ISPs") to display certain information regarding their Internet access service plans.

## **Background**

In 2021, President Biden signed into law the Infrastructure Investment and Jobs Act (the "Act") which directs the FCC to require ISPs to display form labels informing subscribers and potential customers about their broadband Internet access service plans. These labels are similar to "nutrition" type labels found on everyday grocery items. The FCC has established a standard for these form labels. The Act mandates the labels must make clear the offered introductory rate and what the subscriber or potential customer must pay after the introductory rate ends.

## **Order Overview**

#### **Labeling Requirements**

The FCC requires ISPs to display the label at the point of sale, such as ISP owned locations, third party channels, and over the phone by reading the contents of the label to potential customers and subscribers. The label must include certain information about broadband prices, data allowances, and broadband speeds and latency. Additionally, the term of any introductory rate must be displayed on the label and the subsequent retail rate before any discounts. Moreover, the label must display any recurring monthly charges, one-time fees, and charges or reductions in service for exceeding data limits.

The FCC requires the label to include links to information about the ISP's network management practices, privacy policies, and the FCC's Affordable Connectivity Program ("ACP").

#### **Label Appearance**

The FCC requires the label be prominently displayed. The label format and display are strictly defined to allow the subscriber or potential customer to compare different ISP rates and make an educated consumer decision.

The label content must be available in machine-readable format so consumers can easily analyze information to assist them in making their decision. The FCC also requires ISPs to make the labels accessible for people with disabilities and for non-English speakers.

#### When the Requirements Take Effect

The Order requires most ISPs to comply with the new rules within six months following publication in the Federal Register. For providers with 100,000 or fewer subscribers, the FCC has instead adopted a one-year compliance period, which allows such providers an additional six-month period to comply.

#### **Additional Information**

The Further Notice of Proposed Rulemaking seeks comment on further steps the FCC can take to safeguard consumers and provide the information they need to make educated broadband service purchasing decisions.

The link to the full Report and Order is here:

https://www.fcc.gov/document/fcc-requires-broadband-providers-display-labels-help-consumers

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