



**Testimony of
Mike Blank
CTIA**

**In Opposition to
HB 2196 – Automatic Renewal**

**Before the
Pennsylvania House Commerce Committee**

May 20, 2024

On behalf of CTIA, the trade association for the wireless communications industry, I write to you to outline concerns and request clarifying language related to HB 2196, regarding cancellation of subscriptions. Because we don't believe wireless service providers are the intended target of this legislation, CTIA respectfully requests clarifying language, so the bill does not inadvertently impact wireless providers.

Since 2003, CTIA's Consumer Code for Wireless Service has been an integral part of delivering superior customer service to wireless consumers. The Code – which is followed in all 50 states – has helped consumers make informed decisions when selecting a wireless plan and has contributed to the continued competitiveness within the wireless industry. The Code affords wireless providers the flexibility to respond to changes in consumer demand.

Wireless carriers that are signatories to the Code, including AT&T, T-Mobile, UScellular, and Verizon, have committed to voluntarily adhere to a set of industry standard principles. These principles include agreeing to disclose to consumers at point of sale and on their web sites whether a fixed-term contract is required and its duration; the amount and nature of any early termination fee that may apply; and the trial period during which a consumer may cancel service without any early



termination fee, as long as the consumer complies with any applicable return policy, in addition to providing ready access to customer service. The Code has helped consumers make informed decisions when selecting a wireless plan and has contributed to the continued competitiveness within the wireless industry. Additionally, the industry has evolved to offer no-contract rate options for consumers as well as installment plan pricing for mobile phones.

Other states, including Oregon¹ and Minnesota², have acknowledged the need to ensure that wireless service not be impacted when they have passed its law regarding automatic renewals. Accordingly, CTIA respectfully requests that Pennsylvania follow this sound policy and specifically exempt wireless service from this legislation.

The wireless industry continues to make changes to its customer facing policies to remain competitive in the marketplace and this amendment will allow continued consumer choice without the potential for additional consumer confusion.

Thank you for your consideration.

¹ Or. Rev. Stat. §§ 646A.292 to 646A.295

² Minnesota SF 3920 (2024) Section 9(4)