



**Testimony of
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**In Opposition to
Nevada AB 44**

**Before the
Nevada Senate Committee on Commerce and Labor Committee**

May 9, 2025

On behalf of CTIA®, the trade association for the wireless communications industry, I write in opposition to AB 44, relating to the pricing of certain goods and services in the state. We appreciate the goal of protecting consumers, and our industry is committed to ensuring consumers have accurate and transparent information. However, the FCC is the primary regulator of wireless carriers and the bill's intent to regulate wireless service at the state level violates federal law. Both the Federal Communications Commission (FCC) and the courts have recognized that the internet is an inherently interstate network, not amenable to state-specific regulation. The bill's assertion of state authority to regulate telecommunication and internet service is inconsistent with the longstanding view that such service is appropriately governed by a single federal regime rather than a patchwork of the sort that applies to traditional wireline telephone service.

Regulation of wireless pricing is barred by (1) express preemption of mobile rate regulation by the federal Communications Act; (2) implied preemption based on Congress and the FCC having occupied the field of wireless regulation; and (3) the dormant commerce clause doctrine, which precludes unreasonable state burdens on interstate commerce. Rather than impose the unnecessary expense on taxpayers of attempting to pursue unlawful regulations, Nevada should exempt wireless services if it chooses to move forward with this legislation. We specifically request an express and clear exemption for entities regulated by the FCC from this legislation.

Robust Federal Regulation of the Wireless Industry Already Exists

The wireless industry is regulated by the FCC, which has its own regulatory regime to protect consumers from surprise or unfair fees and billing practices, including broadband labeling and Truth-

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in-Billing regulation. The FCC's rules already require the wireless industry to convey relevant information to consumers and prevent unfair or deceptive fees. CTIA's members have for years embraced regulatory efforts already undertaken by the FCC to ensure consumers have clear information about service charges and to help protect consumers from fraud and unauthorized third-party fees. These rules and policies effectively prevent and hold wireless providers responsible for any unfair or deceptive fees. Additional state-level regulation proposed in this bill would be unnecessary, be a burden for wireless carriers, and create confusion for consumers without providing a benefit.

FCC Broadband Labeling: Implementing a Congressional directive, the FCC adopted requirements for broadband labeling in 2023.¹ These requirements will ensure consumers are given clear, accurate, and transparent information to guide their purchasing decisions. Under these new broadband consumer label rules, all wireless consumers will have access to easy-to-understand labels modeled on the nutrition labels that appear on food products. The labels clearly lay out key information about prices (including monthly and one-time fees, and the availability of discounts and bundles), the amount of data included in the base price, typical upload and download speeds that consumers can expect, and a provider's network management and privacy practices. Importantly, in adopting its directive, Congress clearly intended that the FCC should regulate the advertising of broadband on a *national* level.²

FCC's Truth-in-Billing: For nearly two decades, wireless voice providers have abided by the FCC's Truth-in-Billing requirements, which are broad, binding principles that ensure voice providers offer information on customers' bills that is clear and not misleading.³ The Truth-in-Billing rules have also served to help protect consumers from fraud and unauthorized third-party charges. Importantly, the FCC created a comprehensive framework that affords providers flexibility in their billing procedures

¹ See *Empowering Broadband Consumers Through Transparency*, Order, CG Docket No. 22-2, DA 23-617 (CGB rel. July 18, 2023).

² Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, § 60504(a), 135 Stat. 429, 1244 (2021).

³ *Truth-in-Billing and Billing Format*, First Report and Order and Further Notice of Proposed Rulemaking, 14 FCC Rcd 7492 (1999) ("FCC Truth-in-Billing R&O"); *Truth-in-Billing and Billing Format*; *National Association of State Utility Consumer Advocates' Petition for Declaratory Ruling Regarding Truth-in-Billing*, Second Report and Order, Declaratory Ruling, and Second Further Notice of Proposed Rulemaking, 20 FCC Rcd 6448 (2005).



without discouraging the introduction of new pricing plans or impairing the ability of providers to adopt improvements to their billing systems or bill structures.⁴

Title 47 U.S.C.: It is not clear if the requirement in the bill is consistent with federal law, which plainly states that “no State or local government shall have any authority to regulate the entry of or *the rates charged by* any commercial mobile service . . .”⁵

It not clear if “telecommunications services” and “internet services” are exempt from the proposed law. Both are specifically listed in 5(a), but the exemptions include “Conduct which is expressly authorized, regulated or approved by an administrative agency of (1) This State; (2) The United States; or (3) or a city or county of this State, having jurisdiction over the prices of goods or services.”

Regulatory certainty is important to our members, and we seek clear exemption of services that are regulated by the FCC.

Industry is Committed to Protecting Consumers

In the competitive wireless marketplace, CTIA and its members have established the *Consumer Code for Wireless Service*⁶—an evolving set of principles designed to help consumers make informed decisions when selecting wireless services. This code has been regularly updated since it was first created nearly 20 years ago. Importantly, more than half of the principles contained in the *Consumer Code for Wireless Service* speak to this important issue, with disclosure of rates and terms of service being the first commitment. Further, Principle 5 *establishes a commitment to “clearly and conspicuously” disclosing material charges.*

Wireless services are used every day to connect consumers to school, work, and loved ones, and as of 2023, there are more than 1.6 wireless connections for every person in the United States.⁷

⁴ See FCC Truth-in-Billing R&O, 14 FCC Rcd at 7499, ¶ 10

⁵ 47 U.S.C. § 332(c)(3)(A) (emphasis added); see also, e.g., *MCI Telecommunications Corp. v. FCC*, 822 F.2d 80 (D.C. Cir. 1987).

⁶ CTIA, *Consumer Code for Wireless Service* (2020), <https://api.ctia.org/wp-content/uploads/2020/03/CTIA-Consumer-Code-2020.pdf> (“*Consumer Code for Wireless Service*”).

⁷ See CTIA, *2023 Annual Survey Highlights*, at 5 (July 25, 2023), <https://www.ctia.org/news/2023-annual-survey-highlights>.



Consumers tend to use their wireless devices throughout the day, which serves as a tangible reminder of the services they are receiving. Wireless services are thus distinguishable from other products and services where consumers may not even be aware that they are being charged for a service, such as services that may renew on an annual basis. Moreover, wireless providers typically have regular engagement with their customers, including through monthly notices regarding plan terms and itemized costs, as well as through alerts that may be sent in accordance with commitments made as part of the *Consumer Code for Wireless Service*.

Wireless Services are Already Regulated by the FCC

Wireless companies fight every day for consumers. Competition means wireless companies work relentlessly to improve their networks and launch innovative services. In the last several years, consumers have seen real benefits from competition, including lower prices, new devices, faster speeds, and unlimited data and free data services. The FCC agrees that the wireless industry is competitive. The FCC has found over 94 percent of Americans have a choice of three or more 4G providers. That's because there are nearly 100 mobile providers nationwide, and consumers can choose from hundreds of devices, multiple operating systems, and millions of apps and services.

Commitments made by wireless service providers through the *Consumer Code for Wireless Service*, coupled with regulatory protections adopted by the FCC, serve today to provide protection and clarity to consumers regarding their commercial decisions. Given the incentives wireless providers have to ensure their trusted relationship is maintained with consumers, CTIA urges Nevada to recognize the dynamics within the competitive wireless marketplace and refrain from imposing a new state law on the wireless industry that would be unnecessary, duplicative, and not consistent with federal law.

If Nevada ultimately enacts a law, any new law should expressly exempt services already regulated by the FCC for the reasons stated above.