

ALERT

FCC Announces Consumer Broadband Labeling Initiative

April 4, 2016

The Federal Communications Commission (FCC) approved broadband labels designed to provide consumers with “an easy way to understand provider prices, performance, and network practices.” The new labels—developed by the FCC’s Consumer Advisory Committee pursuant to the *Open Internet Order*—are intended to facilitate comparison shopping and help consumers make informed decisions about the purchase of broadband service. The announcement was made today by FCC Chairman Tom Wheeler in a joint appearance with Consumer Financial Protection Bureau Director Richard Cordray.

The labels, modeled on the Food and Drug Administration’s ubiquitous Nutrition Facts, communicate “Broadband Facts” pertaining to mobile and fixed consumer broadband services. They include information on price, data allowances, speeds, and management practices, among other things.

Use of the labels is not mandatory. However, “[b]roadband providers that voluntarily adopt this format will be presumed to be in compliance with the requirement to make transparency disclosures in a format that meets the needs of consumers”—a requirement that was affirmed and enhanced in the *Open Internet Order*. According to the FCC, the proposed labels “may be used as a safe harbor after the enhanced transparency rules have taken effect.” [1]

[1] The enhanced transparency rules have not yet taken effect because they have not been approved by the Office of Management and Budget. The safe harbor announced by the FCC today will become effective upon such approval.

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