

**CONSUMER EDUCATION WORKSHOP
OPENING REMARKS OF
COMMISSIONER RACHELLE CHONG
Consumer Bill of Rights
San Francisco, California
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Let me begin with a story I got today in an email from a friend. It's called "The Blind Man." One day, there was a blind man sitting on the steps of a building with a hat by his feet and a sign that read: "I am blind, please help."

A creative publicist was walking by and saw that the blind man had only a few coins in his hat. He dropped in more coins and, without asking for permission, took the sign and rewrote it. He carefully propped up the sign next to the blind man and left. That afternoon the publicist returned to the blind man and noticed that his hat was full of bills and coins. The blind man recognized his footsteps and asked if it he was the person who had rewritten his sign and what he had written on it. The publicist responded: "Nothing that was not true. I just wrote the message a little differently." He smiled and went on his way.

The new sign read: "Today is Spring and I cannot see it."

The moral of this story is that sometimes in life, we need to change our strategy. If we always do what we have always done, we will always get what we have always gotten.

I like this story because it nicely summarizes what the PUC is trying to do -- which is to change our strategy on how to interact with our customers, which are the telecom carriers and consumers.

Our efforts today are the beginning of a new chapter in the PUC's interaction with consumers and carriers. We are forming a new regulatory compact with *consumers* today. We are promising to explain the new bewildering world of a competitive market to them better. We are promising to help them make good choices about what to buy. We are going to assist them if they have problems with their service provider.

We have also changed our regulatory compact with telecom *carriers* today. We have decided to not take a more regulatory approach that was better suited to monopoly days, and instead to trust the carriers to do the right thing, given the market will demand it. We added some limited new rules, and set forth in one place the dozens of current laws and regulations to which carriers are already subject.

We have made very clear in our decision what our expectations are for carrier behavior. We will trust but verify. We have promised to enforce the multitude of existing rules that carriers abide by, including slamming, cramming and privacy of customer proprietary information.

We aren't just saying it; we are doing it. We are shifting more personnel to consumer affairs and to enforcement. We are updating our antiquated complaint database.

A recent NARUC white paper called "Telecom and Federalism" called for state regulatory agencies to take an innovative "functional federalism" approach to regulation.

NARUC encouraged state commissions to focus on developing our core competencies. One of the acknowledged core competencies of state commissions is consumer education and outreach, and enforcement activities. Our work today answers NARUC's call to put a new emphasis on consumer outreach and education.

My experience both in and out of the government convinces me that consumer education is critical to consumer protection. My dad still thinks Ma Bell runs the entire phone system, wireless phones included. I don't think he's alone in the nation having this misconception.

Too often lack of adequate information results in the failure of markets, the failure of good intentions, and the intervention of government.

To be successful, we need to design our educational resources for consumers. For example, I have been advocating inside the PUC for a new consumer-oriented website – featuring plain English text at a sixth grade level, more graphics for a user friendly look, and intuitive simple navigation. It would cover everything from explaining the new competitive telecom market, how to choose your service, understanding key terms of your contract, and how to dispute a bill. It will have the PUC hotline number in big font all over the place.

We should publish the website in the major languages spoken in California.

We should consider public service announcements.

We should reach out to low income and non English speaking communities with brochures, info sheets, via community based organizations.

These and other educational efforts will ensure that consumers are better informed. If consumers are better informed, they will make better choices -- and have the right expectations for their telecom services. This is an outcome we all can applaud.

All of us in this room share common goals. We can work together to achieve them – without grandstanding and without undermining the missions of our respective organizations. Please be positive in this process. To this end, I suggest we do something that made us successful in grammar school – raise your hand and volunteer today to serve on a committee to help us get this work done.

Finally, I wanted to thank Phil Enis, Karen Miller and other Commission staff that put together this workshop in such a timely manner.

To those of you outside of the Commission, thank you for taking time out of your busy schedules to attend the workshop today and show your commitment to the process.

I hope today's session will remind us of how energizing it can be to work together to achieve common goals. Let's be open to changing our prior strategies to get something great done for California consumers. Thank you again for coming.