



For Immediate Release

Contact: Cara Smith

312-814-3118

877-844-5461 (TTY)

csmith@atg.state.il.us

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MADIGAN ANNOUNCES SETTLEMENT WITH VOIP PROVIDER REQUIRING IMPROVED 911 DISCLOSURES

Chicago — Attorney General Lisa Madigan today announced that her office and five other state Attorneys General have entered into a settlement with Vonage Holdings Corp., to address concerns with that company's provision of 911 service.

Vonage, based in Holmdel, New Jersey, provides telephone service using Voice Over Internet Protocol instead of traditional landline telephone service. Voice Over Internet Protocol, or VOIP, service involves converting a voice signal telephone to digital which travels over the Internet and generally requires a broadband Internet connection.

“While it is important that consumers have access to new and less expensive telephone technology, it is critical that consumers understand how this technology differs from the framework they are accustomed to, particularly where public safety is involved,” Madigan explained. “Companies like Vonage must provide clear information so that customers can take every necessary step to protect themselves in the event of an emergency.”

Because of the differences between traditional landline telephone service and VOIP, 911 service through VOIP works differently. Madigan and the other Attorneys General were concerned that Vonage was not clearly disclosing to consumers the differences and limitations of VOIP 911 service.

Traditional landline telephone service is associated with a fixed address. As a result, in most cases when customers of traditional landline telephone service place 911 calls, depending on the technological abilities of the particular county's 911 service, the 911 call center immediately determines the customer's location and identifies the proper emergency services to send for help. To receive this 911 service, a traditional landline telephone customer does not have to take any action to provide the telephone company with his or her location information.

In contrast to landline service, VOIP service is portable. Customers can access VOIP service from any Internet connection. Consequently, VOIP emergency dialing service operates differently and the customer's location information is not provided automatically to the 911 call center. VOIP customers must notify their VOIP provider of the physical address from which they intend to use the VOIP service.

Additionally, unlike landline 911 service, VOIP 911 calls may not connect to the customer's local 911 operators. Instead, when a VOIP customer makes a 911 call, he or she may connect to an administrative line of the 911 call center or to a call center associated with the VOIP provider. VOIP 911 service also does not work during power outages, or when the customer's underlying broadband Internet connection is not available.

To address these critical differences between traditional landline 911 service and VOIP 911 service, the Federal Communications Commission recently mandated that all VOIP providers meet certain minimum standards in providing 911 service. Specifically, the FCC requires that VOIP providers must provide 911 service to all their customers, obtain the physical location from which the customer intends to use the VOIP service, and when technologically possible, transmit all customers' 911 calls to the proper 911 call center, along with the customer's callback telephone number and registered physical location.

As a follow-up to the FCC's requirements, Madigan and the other Attorneys General focused this settlement on ensuring that Vonage provides consumers with clear information so that they can make informed choices about which telephone technology is best for them. Specifically, the settlement requires that Vonage:

1. disclose to consumers the differences between its emergency dialing service and traditional landline telephone 911 service;
2. require consumers to provide Vonage with their physical location before activating their Vonage VOIP service; and
3. disclose to consumers that, since its service is portable, each time they change location, users should actively update the address and that there may be a delay in updating the information.

As part of this settlement, Vonage has agreed to pay \$500,000 to the states and Illinois will receive \$70,000 for use in the enforcement of the consumer protection laws. The other states participating in the settlement are Florida, Massachusetts, Michigan, North Carolina, and Texas.

For more information on VOIP and 911 service, consumers can access the FCC's website at the following link: <http://www.voip911.gov>.

For information regarding implementation of 911 service in Illinois counties, consumers should contact their local Emergency Telephone Service Board.

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