



## State of North Carolina

ROY COOPER  
ATTORNEY GENERAL

Department of Justice  
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November 16, 2004

North Carolina Senate President *Pro Tempore* Marc Basnight  
North Carolina House of Representatives Speaker James Black  
North Carolina House of Representatives Speaker Richard T. Morgan  
Co-Chairs, Joint Legislative Commission on Governmental Affairs

Senator Scott Thomas  
Representative Joe R. Kiser  
Representative R. Phillip Haire  
Co-Chairs, Appropriations Subcommittees on Justice and Public Safety

North Carolina General Assembly  
Raleigh, North Carolina 27601-1096

RE: N.C.G.S. § 114-2.5; Report of Court Orders in Favor of the State  
Wireless Multistate Group: Cingular Wireless, Sprint PCS, and Verizon  
Wireless

Gentlemen:

N.C.G.S. § 114-2.5 requires that not less than thirty (30) days prior to disbursement of funds received by the State or State agency pursuant to a settlement agreement or final orders of judgment of the case where the amount of funds exceed \$75,000, the Attorney General shall report to the Joint Committee on Governmental Operations and the Chairs of the Appropriations Subcommittees on Justice and Public Safety on the payments received by the State. Pursuant to that statute, I am writing to report as follows:

On 21 July 2004, North Carolina and 31 other states and commonwealths entered into three separate settlements with Cingular Wireless, Verizon Wireless, and Sprint PCS, three of the nation's largest wireless telephone carriers, to resolve allegations of misleading advertisements and unclear disclosures relating to service agreement terms and wireless coverage areas. The settlements require the carriers to provide coverage maps to consumers, give consumers at least two weeks to terminate service contracts without incurring any penalties, and also mandate changes in how these carriers advertise and sell their services and coverage. Under the settlements, the carriers paid \$5 million collectively to the states to cover the cost of the investigation and to fund consumer

education. North Carolina received \$102,166.66 to be used for consumer protection, education, and enforcement purposes. In addition, North Carolina received \$4,500.00 as reimbursement of its attorneys fees and investigative costs.

We will be happy to respond to any questions you may have regarding this report. Please feel free to contact me at 919/716.0042.

Very truly yours,

Julia White  
Chief of Staff

JW/dlm

cc: Nels Roseland, Chief Fiscal Officer, NC DOJ  
Jim Johnson, Director of Fiscal Research, NCGA  
Chloe Gossage, Fiscal Research, NCGA