

Regulators seek to avoid surprises on cell bills

May 11 2010

(AP) -- Federal regulators are considering rules that would require wireless phone companies to alert consumers before they reach roaming or data usage limits on their wireless plans.

The Federal Communications Commission says it is seeking input on ways to head off "bill shock," which it describes as "the experience of getting an unexpectedly high wireless phone bill." The FCC says it has received hundreds of complaints from across the country involving all the major carriers.

The agency is considering following the lead of the European Union, which requires wireless companies to send a text message to customers who are running up roaming charges or approaching caps on data usage.

The effort, being spearheaded by the FCC's new Consumer Task Force, is part of a broader push at the commission to enact strong consumer protection measures across the telecommunications industry.

Last summer, the FCC opened an inquiry into so-called "truth-in-billing" rules, which require phone companies to clearly describe charges on customer bills. As part of that inquiry, the agency has been looking into whether the largest wireless companies give customers adequate notice about early termination fees for breaking a service contract before it expires. Separately, the FCC is examining whether broadband providers deliver Internet connections that actually reach advertised speeds.

Jeffrey Nelson, a spokesman for Verizon Wireless, stressed that the company already offers customers ways to look up their monthly wireless usage through their phones, as well as online tools to set limits on how their phones can be used. In addition, he said, the company will retroactively change a customer's wireless plan - to add more minutes or a higher data-use cap, for instance - to help a customer manage an unexpectedly high phone bill.

Because Verizon Wireless already offers such options, Nelson said he questions whether the government needs to mandate how the company communicates with customers.

But at least one major consumer watchdog group, Consumers Union, welcomed the FCC's move. "This is a helpful first step down what we hope will be a much longer road to provide wireless consumers with relief and protection in the marketplace," Joel Kelsey, policy analyst for Consumers Union, said in a statement.

©2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Regulators seek to avoid surprises on cell bills (2010, May 11) retrieved 19 September 2024 from <https://phys.org/news/2010-05-cell-bills.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--