

Resolution Urging the Federal Communications Commission to Use Its Authority to Protect Consumers from Mobile Device Bill Shock

WHEREAS, The Federal Communications Commission(FCC) recently released the results of its independently conducted national study of 3,005 American consumers regarding bill shock and Early Termination Fees (ETFs);¹ *and*

WHEREAS, The survey results showed that 80% of American adults have a personal cell phone, and 17% of those, or approximately 30 million Americans, have at one time experienced bill shock, or their cell phone bill increased suddenly from one month to the next, even though they had not changed their calling or texting plans; *and*

WHEREAS, Eighty-four percent (84%) said their cell phone company did not contact them when they were about to exceed their allowed minutes, text messages, or data downloads, and 88% said their cell phone company did not contact them after their bill suddenly increased; *and*

WHEREAS, Wireless phone screens provide basic information such as time, date, battery power, number of emails and voice mails; *and*

WHEREAS, Wireless phones depict icons that can be programmed to provide detailed information, *and*

WHEREAS, Consumers could have prompt and easily accessible usage information and avoid over-usage if all wireless phone screens displayed minutes used and remaining and/or a “Usage” icon that provides all account information including usage allowed, used and available, billing date, costs for overages for all services; *and*

WHEREAS, The FCC has reportedly received hundreds of complaints about unexpectedly outrageous cell phone bills ranging from hundreds to thousands of dollars;² *and*

WHEREAS, Some wireless carriers provide alerts and other means to curtail overages, primarily to customers with smart phones; *and*

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) has consistently supported and encouraged full disclosure to consumers; *now, therefore be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2010 Summer Committee Meetings in Sacramento, California, urges all wireless carriers with the technical ability to provide usage alerts, icons and/or screen notices on mobile devices, or other alerts to voice, text, and data consumers in the United States

¹ *Americans’ Perspectives on Early Termination Fees and Bill Shock, Summary of Findings* (rel. May 26, 2010), available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-298414A1.doc.

² “Your tax dollars at work. “\$18,000 cell phone bill? ‘Bill shock’ in feds crosshairs” OC WATCHDOG (rel May 13, 2010) available at: <http://taxdollars.ocregister.com,/2010/05/13>.

with clearly understood and prompt information to monitor usage, to empower consumers, to avoid bill shock, and to ensure that consumers are fully informed prior to incurring charges for services in excess of those in a customer's calling plans; *and be it further*

RESOLVED, That NARUC urges the FCC to work with State commissions, consumer representatives, and industry to implement measures to achieve these objectives; *and be it further*

RESOLVED, That NARUC directs its General Counsel and policy staff to promote policies consistent with this statement at the federal level.

*Sponsored by the Committees on Consumer Affairs and Telecommunications
Adopted by the NARUC Board of Directors July 21, 2010*