



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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FCC BUREAU LAUNCHES INITIATIVE TO HELP CONSUMERS AVOID “BILL SHOCK” Action is one of the first by new FCC Consumer Task Force

Washington, DC -- Today the FCC’s Consumer and Governmental Affairs Bureau (CGB) launched an initiative on “bill shock” – the experience of getting an unexpectedly high wireless phone bill. The Bureau is seeking input on ways to alert consumers about potential high charges before they add up. One idea is a technical solution now used in Europe that could help consumers avoid this problem.

”We are hearing from consumers about unpleasant surprises on their bills,” said Gurin. “We’ve gotten hundreds of complaints about bill shock. But this is an avoidable problem. Avoiding bill shock is good for consumers and ultimately good business for wireless carriers as well.” Gurin will discuss the initiative at a press avail at the FCC today at 11:00.

Today’s action is one of the first initiatives undertaken by the Commission’s Consumer Task Force which was launched in January by Chairman Genachowski and is chaired by Joel Gurin, Chief of the FCC’s Consumer and Governmental Affairs Bureau.

“There can be many causes of bill shock, including unclear or misunderstood advertising, unanticipated roaming or data charges, and other problems,” Gurin said. “All can lead to charges that people don’t expect to get. In the European Union, carriers are required by law to send text messages to consumers when they are running up roaming charges or getting close to a set limit for data roaming. We’re issuing a Public Notice to see if there’s any reason that American carriers can’t use similar automatic alerts to inform consumers when they are at risk of running up a high bill.”

In the Public Notice, the Bureau asks for comment on:

- Whether technological or other differences exist that would prevent wireless providers in this country from employing usage alerts similar to those now required by the EU.
- The extent to which consumers can now monitor their wireless usage and know when they are exceeding their predetermined allocations of voice minutes, text messages, or data usage.
- The extent to which U.S. providers are already offering such usage alerts, and the cost to the consumer or the provider.

- Whether certain usage controls lend themselves more to one type of service (such as voice) than to another (such as data).
- The extent to which such information can be accessed on wireless devices by people with disabilities – in particular, by people who are blind or have low vision -- and what kinds of usage alerts would be most helpful to them.

Gurin says that complaints about bill shock come from all over the country and involve all the major wireless carriers. He cited some recent complaints from the FCC call center's files:

- “My [cell phone] bill suddenly tripled in one month. . . . When I got to looking it over, I noticed that they had charged me for my mobile to mobile minutes. They had advertised free mobile to mobile.”
- “I received a bill this month with over \$500 in overage charges which led me to check my statement. I found that on my wife's and my phones over the past three months we have had 246 calls totaling 304 minutes from [two unknown numbers].”
- “I recently updated my wireless plan in Sept 09. Since I upgraded my plan, my bills have been outrageous. I was informed . . . that my rollover minutes were taken away when I changed my plan. . . . I was never informed this would affect my rollover minutes and have thus racked up hundreds of dollars in overages at \$.45 a minute.”

Comments to the Public Notice are due 45 days after publication in the Federal Register; reply comments are due 60 days after publication in the Federal Register.

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CG Docket No. 09-158, CC Docket No. 98-170, WC Docket No. 04-36; DA 10-803