

**STATEMENT OF
COMMISSIONER JESSICA ROSENWORCEL**

Re: *Wireless Carrier Usage Alerts to Prevent Bill Shock* (October 17, 2012)

There are now more wireless connections for phones and tablets in the United States than there are people—and we rely on these devices like never before. They help us stay connected to our families and friends, our jobs, and our communities. They are an essential part of our daily lives.

As we eagerly adopt new wireless devices and consume a growing number of wireless services, it is more important than ever that we understand what we are spending our money on. And let's be honest, wireless plans have gotten complicated. Carriers offer a wide array of options including limited or unlimited voice, data, and texting. They offer plans that can be shared across multiple devices and plans with additional roaming fees. It is no wonder that one in six Americans have experienced bill shock.

Let me highlight one story. Celina Aarons typically paid about \$175 per month for her wireless family plan that she shared with her two brothers, both of whom are deaf. One month, at home in Florida she received a \$200,000 bill from her wireless carrier because her brother had spent two weeks in Canada where he had sent text messages and downloaded videos. Due to steep international roaming fees, Celina was left to negotiate the payment of an astronomical bill without any warning.

Celina's story is especially egregious, but her problem is not uncommon. The Commission has received too many complaints telling similar stories: consumers stuck paying thousands of dollars in overage fees when they unknowingly surpassed their data usage limits; parents paying hundreds of dollars when a teenage child on a family plan exceeds their limit on texting; and consumers surprised with very high bills for wireless usage abroad when they return home.

These stories teach us that it is frighteningly easy to misunderstand your plan, surpass plan limits, and wind up paying the price. How many people in this room know how many bits of data they have used so far this month? How many minutes of voice or how many text messages? The truth is keeping track is difficult.

Here's what I think: Nobody should need to hire a lawyer to understand their wireless contract and nobody should need to hire an accountant to explain their wireless bill.

That is why the bill shock initiative we are discussing today is so important. Kudos to the Chairman, Consumers Union, and CTIA for their hard work to address this problem.

Under the agreement we celebrate here, CTIA members have committed to provide alerts to their wireless customers both before and after subscribers reach their monthly limits on voice, data, and texting—and also when international roaming charges apply. That means that starting today, wireless carriers across the country have committed to providing two of the four alerts,

and in six months carriers will provide all four alerts. They will do this free of charge. And they will not require action on the part of their subscribers to receive these alerts. In addition, they have agreed to help consumers by disclosing the tools they offer to review usage balances and set usage limits. Good things, all.

But as the presentation today suggests, the Commission needs to remain the cop on the beat. So I ask that the Consumer and Governmental Affairs Bureau track the complaints related to bill shock that reach the agency in the next year and then produce a report summarizing their findings a year after these voluntary agreements go into effect.

It is my hope that these alerts will reduce the incidence of bill shock, reduce the number of complaints filed, and increase consumer satisfaction with the wireless services and devices they rely on every day.

Thank you to the Consumer and Governmental Affairs Bureau for this presentation and for your work on this issue. Thank you also to Consumers Union and CTIA for your work on this agreement and for your efforts to improve the consumer wireless experience.