



New area codes 959 to overlay the 860 area code, but consumers do not have to change telephone numbers

Having studied the recent Federal Trade Commission Staff Report on Mobile Cramming, which accurately details the mobile payment option known as “carrier billing” – the ability to charge a good or service directly to a mobile phone account, the Connecticut Office of Consumer Counsel is prepared to address this growing problem.

We have recent unfortunate experience with similar problems relating to the electric supplier industry in this state, and we have been very active in mobilizing consumer groups and government agencies to combat that issue.

In our role as the state’s utility consumer advocate, the OCC also firmly believes that our statutory relationship with both the regulators and the carriers and other industry participants provides the OCC with a unique opportunity to proactively address mobile cramming. The telephone and wireless companies must adhere to basic consumer protection principles as consumers increasingly turn to their mobile phones as a payment mechanism.

We applaud the efforts of some members of the industry in taking some steps to combat unauthorized third-party charges on mobile phone accounts, but in OCC’s experience, more needs to be done by a wide spectrum of consumer groups to educate and protect consumers as they navigate their way into these innovative uses of wireless technology. As the industry itself continues transition toward more payment methods via cellphones, it must maintain the highest levels of consumer protection principles in order for consumers to trust and adopt these innovative payment methods.

The OCC will closely monitor the actions of industry participants, and alert consumers and other watchdogs to the problems inherent to this growing use of technology. The OCC will consider advocating for legislation or regulatory actions on the state level, as needed, in order to assure and educate consumers that they are protected from unwanted and unauthorized charges.