

In Support of SB 138: Protect Consumers from Tricks, Traps, and Hidden Fees

Unbeknownst to most consumers, it's not just the telephone company that can charge money through a telephone bill. What's more, most charges made by third-parties on telephone bills are scams—unauthorized charges tacked on and hidden in the small print in a practice often referred to as "cramming".

Across the nation, the practice nets about \$2 billion each year in largely unauthorized or fraudulent fees, often through fly-by-night operations created solely to exploit the system, operating out of P.O. Boxes or non-existent offices.

Unfortunately, the systems set-up by telephone companies have failed to solve the problem. In fact, telephone companies profit from cramming by charging fees to the third-parties, generating substantial revenue.

Here in Alaska, we have an opportunity to nip this problem in the bud. SB 138 would help end the practice of "cramming" unauthorized third party fees onto telephone bills for landlines, and for those wireless companies over which the Regulatory Commission of Alaska has authority.

Tricks, traps, and hidden fees harm consumers and do nothing to support Alaska's economy. On behalf of our members, we strongly urge your support.

Sincerely,

Matt Wallace

Executive Director

Alaska Public Interest Research Group

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Alaska Public Interest Research Group is a non-partisan, non-profit, citizen oriented statewide organization researching, educating and advocating on behalf of consumers and the public interest.