DATCP Announces Settlement with CenturyLink for Misrepresentation

FOR IMMEDIATE RELEASE: June 19, 2025 Contact: Caleb Kulich, Public Information Officer, (608) 621-1290 caleb.kulich@wisconsin.gov

MADISON, Wis. – The Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) has entered into a settlement with Lumen Technologies Service Group LLC and CenturyLink Communications LLC (collectively CenturyLink) to resolve allegations that CenturyLink misrepresented the monthly price of their internet services to consumers who were offered a fixed price throughout the subscription term. Under the settlement, CenturyLink did not admit that it violated any laws, but agreed to pay \$450,000 in civil forfeitures, surcharges, fees, and investigative costs.

Between April 1, 2015 and December 31, 2017, CenturyLink advertised "price lock" subscriptions to Wisconsin consumers but failed to honor this promotion. The promotion was represented as "locking in" a fixed monthly cost for internet services during the subscription term. However, during the ensuing subscription term, CenturyLink applied additional monthly fees to the bills of consumers. These were identified as broadband cost recovery fees and effectively increased the monthly subscription cost. The broadband cost recovery fees were also gradually increased over time from \$1.99 in April 2015 to \$3.99 by October 2016.

"Access to the internet has become essential to the daily lives of most consumers, and DATCP is committed to protecting consumers from business practices that unfairly increase their monthly bills for this service," said DATCP Secretary Randy Romanski.

DATCP alleged that CenturyLink committed 240 violations of a Wisconsin law that prohibits any person who sells or offers to sell internet access services to consumers from misrepresenting the terms of a subscription. CenturyLink will pay a civil forfeiture of \$270,000 for those alleged violations as well as \$180,000 in statutory surcharges, fees, and investigative costs. Additionally, CenturyLink has agreed to not engage in practices that misrepresent the terms of a subscription in any advertisement, bill, or other communication directed to a Wisconsin consumer; to follow Wisconsin laws and regulations concerning required disclosures for subscription terms and changes; and to end its practice of charging internet cost recovery fees or broadband cost recovery fees to Wisconsin consumers.

This settlement follows a 2020 class action lawsuit in Minnesota which made over \$15 million in payments available to customers who had purchased certain services from CenturyLink between January 1, 2014 and January 24, 2020. Beginning in March 2020, CenturyLink sent notices to class members, including its 315,635 Wisconsin customers who were eligible to file a claim.

For more information and consumer protection resources or to file a complaint, visit DATCP's Consumer Protection webpage at <u>ConsumerProtection.wi.gov</u> or contact the Consumer Protection Hotline at (800) 422-7128 or <u>DATCPHotline@wisconsin.gov</u>.

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