



Telecommunication Laws: Phone, Cable, Satellite, & Internet Service

The Wisconsin Department of Agriculture, Trade and Consumer Protection regulates business practices of the telecommunications industry – phone, cable, satellite, and internet service for personal use, not business. These rules are found in Wisconsin Administrative Code Chapter ATCP 123. This code prohibits unfair subscription and billing practices, including undisclosed charges, “Cramming,” “Slamming,” and “negative option” practices.

Wisconsin telecommunication laws cover:

Contracts (Wis. Admin. Code ch. ATCP 123.02)

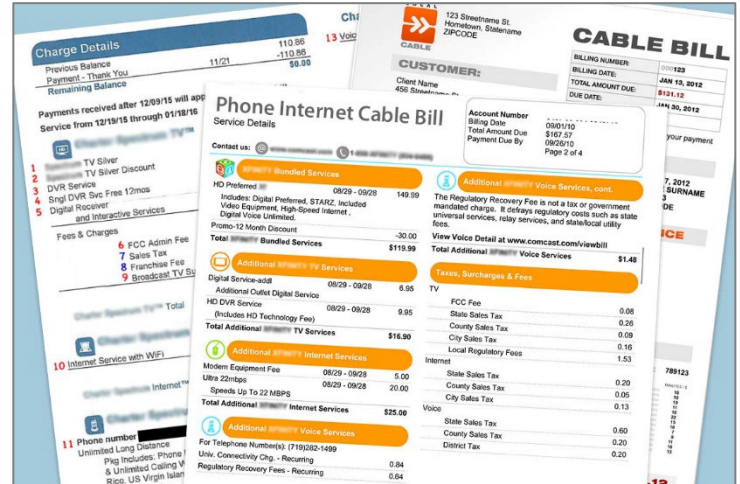
Before a contract is signed, a customer must be informed of exactly what services are included and the total subscription cost, broken down by each service to include all incidental charges and taxes, effective date of the subscription, and the expiration date, if any. The contract must also include any cancellation charges or other limitations on the consumer’s right to cancel the subscription at any time.

Disclosures and cancellation (Wis. Admin. Code ch. ATCP 123.10(6), Wis. Stat. § 100.207)

A provider must disclose which services are being charged on every bill. Providers must honor a customer’s request to cancel services and may not charge for a service provided after the customer cancelled. A cancellation or disconnection fee cannot be charged unless the fee was disclosed as part of the subscription.

Misrepresentation of services (Wis. Admin. Code ch. ATCP 123.10(4), Wis. Stat. § 100.207(2))

A telecommunications provider cannot make false or misleading statements to help induce a sale. A provider may not misrepresent its identity, that a consumer has subscribed or received an electronic communications service, or the terms of a subscription. Any



advertisements or statements need to be true and explained prior to any service agreements.

Subscription changes (Wis. Admin. Code ch. ATCP 123.04)

If a provider is going to increase the price or change the terms of the subscription, they must give the customer written notice describing the changes and the effective date. This notice must be given 25-90 days in advance of the changes. A provider must also inform customers that they are free to cancel without penalty.

Negative option (Wis. Admin. Code ch. ATCP 123.06)

A provider may not permit a “negative option” on a consumer’s bill. “Negative option” billing is the practice of subscribing a customer to a service they did not order and leave it up to the customer to cancel the service. For example, if a customer orders a basic cable channel package, the provider cannot add premium movie channels without the customer ordering them.

Renewals

Unless a customer is free to cancel at any time without penalty, a provider may not renew the customer’s subscription without notice. This notice must be easy to understand and given 30-60 days before the renewal date. The provider may include the reminder notice as part of a regular billing statement.

Cramming (Wis. Admin. Code ch. ATCP 123.026(1))

A marketing practice called “cramming” is prohibited. This practice involves adding services that a customer did not order and are not required by law. It often appears as misleading or deceptive charges on your telephone bills. Crammers rely on confusing telephone bills in an attempt to trick consumers into paying for services they did not authorize or receive, or that cost more than the consumer was led to believe.

Slamming (Wis. Admin. Code ch. ATCP 123.04)

Slamming is the illegal practice of switching a consumer’s traditional wireline telephone company for local, local toll, or long distance service without permission. If this should occur, contact the slamming company and tell them that you want the problem fixed and, under Federal Law (47 U.S.C. § 258), you do not pay for the first 30 days of its service.

Promotional offers (Wis. Admin. Code ch. ATCP 123.10(1))

A provider may not offer a prize or other promotion to new customers unless any “strings attached” are disclosed with every advertisement of the offer. For example, if you sign up for a car giveaway without reading the fine print, you may end up changing your long distance phone carrier.

For more information or to file a complaint, visit our website or contact:

Wisconsin Department of Agriculture,
Trade and Consumer Protection
Bureau of Consumer Protection
2811 Agriculture Drive, PO Box 8911
Madison, WI 53708-8911

Email: DATCPHotline@wi.gov

Website: datcp.wi.gov

PHONE: (800) 422-7128 TTY: (608) 224-5058