

You've seen it on the news and heard about it from your friends and family. Still, telephone fraud costs consumers an estimated \$4 billion each year, with more than half the victims being over 50 years of age.

Unscrupulous companies constantly develop new and ever more sophisticated ways to scam, cheat and defraud the unsuspecting consumer -- so much so that in November of last year, President Clinton launched the construction of a Web site and an organization, "Project kNOw Fraud," to inform consumers on the many dangers that come with modern telecommunications services. The fraud-fighting plan is being led by the U.S. Postal Service, the American Association of Retired Persons, and other federal, state and private agencies, in an effort to help you avoid being victimized by unscrupulous telemarketers.

The Florida Public Service Commission (PSC) is also committed to informing Florida's consumers about telecommunications fraud. The PSC encourages you to be alert when you hear phone solicitations and to listen carefully for red flags that signal deceptive offers. If you feel pressured to buy a service, quickly end the call; you are not being rude, you are being safe. If you decide to continue the call, ask the company to send you written information. You can evaluate the offer without being pressured this way. Plus, you have the opportunity to confirm the identity of any caller who claims to represent your regular local or long distance company.

If you have questions about telecommunications fraud, please contact the PSC at **1-800-342-3552**. You may also contact us by e-mail at contact@psc.state.fl.us, or visit our Internet home page at <http://www.floridapsc.com>. You may also call Project kNOw Fraud at **1-877-987-3728** or visit its Web site at www.consumer.gov/knowfraud.com



FLORIDA PUBLIC SERVICE COMMISSION

Consumer Bulletin

E. LEON JACOBS, JR., COMMISSIONER

How to Avoid Telecommunications Fraud

Here are some of the hottest scams, destined to come to a telephone line near you:



Slamming occurs when a company changes your telephone service -- usually long distance without your permission. But don't fret, simple steps can be taken to prevent this. Always check your monthly telephone bill and read it carefully. The key rule, as with any of life's offers, is ... if it sounds too good to be true, it most likely is. If you are slammed, call your local telephone company. Let them know you did not request service from your "new" phone company and would like to be switched to your original phone service provider. Have them remove any switching fees from your bill and also have your local telephone company place a PC Freeze on your account. This will prevent changes from being made to your phone service without your permission.



Cramming occurs when charges for miscellaneous services that you never agreed to buy have been added to your phone bill. Some examples are phone-related services such as voice mail, paging or personal 800 numbers. But you might also find charges for other types of services on your bill, such as Internet access, club memberships and even dating services! The crammer arranges to bill you, usually through your local phone company, by falsely claiming that you authorized the new services. These charges might appear on your bill just once, or they might recur on every bill which is a good reason to look closely at each bill before you pay it. If you are crammed, call your local telephone company or the company that assessed the charge (if known) and ask to have the charges removed.



Collect Call Scams are when fraudulent companies attempt to charge consumers for pay-per-call services by masquerading as collect calls. They use common names such as "John," hoping that the person who answers will accept the call. Once the call is accepted the person typically hears a recorded message offering some type of service or soliciting for a so-called charity. If you accept the call, you will be billed for it even if you are not interested in the service or in making a donation. If you are a victim of collect call scams, the best defense is to say "no" or "operator" in response to the automated system. This denies the collect call and prevents future fraudulent charges.

E. Leon Jacobs, Jr. is a Florida Public Service Commissioner. The PSC sets the rates utility companies charge for natural gas, electric and telephone service within the state. In 36 counties, it sets the price you pay for the water you drink, if your water company is privately-owned.