

OMAHA, Neb. -- When Jeannine Lovgren's 1990s model cell phone quit working, she took it in expecting a repair.

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Instead, she got a new phone and a new contract.

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But she was never told about the contract.

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She was charged a \$200 early termination fee when she changed phone companies.

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"All of a sudden there's a bill. Nobody tells you about it, can't talk to anybody to get the problem taken care of," Lovgren said.

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But now, AARP has joined with Consumer Cellular Company to eliminate early termination fees and even long-term contracts.

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"We think it's actually going to change the marketplace over time, because when you have the kind of membership we have, we think other companies are going to have to match," said AARP CEO Bill Novelli.

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Nebraska Public Service Commission representative Ann Boyle testified in May before the Federal Communications Commission, pushing to get rid of the fees.

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Now that the 40-million strong AARP has entered into the mix, Boyle is more optimistic that change will be set in motion.

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"I would hope the industry would say, 'I think it's time for us to address this issue as we should have a long time ago,'" Boyle said.

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Congressman Lee Terry, who serves on the house Telecommunications Committee, said there's no question that early termination fees are "anti-consumer."

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He supports the FCC in its efforts to eliminate them.

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But the cell phone companies are reluctant to let the government mandate how they run their business.

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The national organization representing the wireless industry, the CTIA, said long-term contracts have already been eliminated for millions of customers who choose to buy pre-paid cell phones.

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It also said customers who do sign contracts get the benefits of discounted phones and predictable, affordable rates. The courts are also dealing with the problem.

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A judge in a California class action lawsuit recently declared early termination fees illegal and ordered \$18 million restitution for customers who were charged the fee.

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"So between legislation, judicial, and our own market place competition, changes are coming," Novelli, the chief executive of AARP, said.

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For consumers like Jeannine Lovgren, the changes can't come soon enough.

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"They've been robbing people. It's pathetic," she said.

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