

Kucinich Extends Debt-Collection Investigation to Cell Phone Service Providers

Washington, D.C. (October 14, 2010)—Chairman Dennis Kucinich (D-OH) announced today that he is extending the investigation by his Domestic Policy Subcommittee into the debt-collection practices of major cell phone service providers.

In July 2009, Kucinich's subcommittee issued a report and held a hearing on the misuse of forced arbitration to collect consumer credit card debts. Last week, Kucinich announced that, since that hearing, nine banks have abandoned debt-collection arbitration in their new customer agreements and seven banks have completely removed forced arbitration from their agreements. Those banks appear at the top of the chart that Kucinich released last week. (See Kucinich chart [here](#))

Kucinich is now turning his attention to the debt-collection practices of the major cell phone service providers.

Most wireless service providers have forced their customers to settle disputes through a process called mandatory arbitration. Providers require consumers to give up their Constitutional right to use the court system in service contracts that consumers sign as a precondition of receiving wireless service with that company.

"The Domestic Policy Subcommittee investigated the practice of debt-collection arbitration and found that forced arbitration is arbitrary—the results depend more on the arbitrator to whom the case is assigned than the facts or the law that applies," said Kucinich. "Now, the Subcommittee will turn its attention to the cell phone service providers and see if the situation is any different there."